

ment of time to non-profit-making associations for radio broadcast; to the Committee on Merchant Marine, Radio, and Fisheries.

4760. Also, petition of the Council of the City of Portland, Oreg., recommending the earnest consideration by Congress of House bill 7598; to the Committee on Labor.

4761. Also, petition of St. Ignatius Holy Name Society, Los Angeles, Calif., supporting the amendment to section 301 of Senate bill 2910, providing for the insurance of equity of opportunity for non-profit-making associations seeking licenses for radio broadcasting; to the Committee on Merchant Marine, Radio, and Fisheries.

4762. Also, petition of the Illinois Manufacturers' Association, Chicago, opposing Senate bill 3285; to the Committee on Interstate and Foreign Commerce.

4763. Also, petition of several hundred residents of Pitcairn, Pa., favoring the McLeod bill to make available deposits of depositors in closed national banks; to the Committee on Banking and Currency.

SENATE

THURSDAY, MAY 24, 1934

(Legislative day of Thursday, May 10, 1934)

The Senate met at 11 o'clock a.m., on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Wednesday, May 23, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HARRISON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Johnson	Robinson, Ind.
Ashurst	Couzens	Kean	Russell
Austin	Cutting	Keyes	Schall
Bachman	Davis	King	Sheppard
Bailey	Dickinson	Logan	Shipstead
Bankhead	Dieterich	Loneragan	Smith
Barbour	Dill	Long	Steiwer
Barkley	Duffy	McCarran	Stephens
Black	Erickson	McGill	Thomas, Okla.
Bone	Fess	McKellar	Thomas, Utah
Borah	Fletcher	McNary	Thompson
Brown	Frazier	Metcalf	Townsend
Bulkeley	George	Murphy	Tydings
Bulow	Gibson	Neely	Vandenberg
Byrd	Glass	Norbeck	Van Nuys
Byrnes	Goldsborough	Norris	Wagner
Capper	Gore	Nye	Walcott
Caraway	Hale	O'Mahoney	Walsh
Carey	Harrison	Overton	Wheeler
Clark	Hastings	Patterson	White
Connally	Hatch	Pittman	
Coolidge	Hatfield	Pope	
Copeland	Hayden	Robinson, Ark.	

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from California [Mr. McAdoo] is absent because of illness, and that the Senator from Florida [Mr. TRAMMELL] and the Senator from North Carolina [Mr. REYNOLDS] are necessarily detained from the Senate. I ask that this announcement may stand for the day.

Mr. DIETERICH. I wish to announce that my colleague the senior Senator from Illinois [Mr. LEWIS] is absent from the Senate on important public business.

Mr. FESS. I announce that the Senator from Rhode Island [Mr. HEBERT] is absent on account of illness, and that the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Pennsylvania [Mr. REED] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 3487) relating to direct loans for indus-

trial purposes by Federal Reserve banks, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a joint resolution (H.J.Res. 347) to prohibit the sale of arms or munitions of war in the United States under certain conditions, in which it requested the concurrence of the Senate.

ANNOUNCEMENT OF THE DEATH OF HON. BRAND WHITLOCK

Mr. FESS. Mr. President, a message has just reached me announcing the death of Brand Whitlock, a very warm personal boyhood friend of mine, who achieved a great career as United States Ambassador to Belgium during the World War. Only last week he was pronounced by a high authority in Belgium the greatest Ambassador our country had ever sent to that country.

Mr. Whitlock was an independent thinker in religion and politics, the talented author of a great many books which were widely read by all classes of people, and with it all he was one of the most lovable characters I have ever known.

Mr. President, it is with a sense of profound sadness that I announce the receipt of this message from France, where Mr. Whitlock had lived for the past few years.

MARKETING OF GOVERNMENT SECURITIES (S.DOC. NO. 183)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury reporting, in further response to Senate Resolution No. 209, in relation to Government securities offered to the public during the present fiscal year, which, with the accompanying exhibits, was ordered to lie on the table.

Mr. COUZENS subsequently said: Mr. President, on March 15, 1934, the Senate adopted a resolution—No. 209—calling upon the Secretary of the Treasury for information concerning the issuance, the purchase, the sale, and the price of Government securities. A report addressed to the President of the Senate has now been furnished. I ask unanimous consent to have the report printed as a Senate document.

The VICE PRESIDENT. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J.Res. 347) to prohibit the sale of arms or munitions of war in the United States under certain conditions was read twice by its title and referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. STEPHENS, from the Committee on the Judiciary, to which was referred the bill (S. 3075) to permit the appointment of special agents of the Division of Investigation as State officers, reported it without amendment and submitted a report (No. 1123) thereon.

He also, from the Committee on Commerce, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

H.R. 5312. An act to provide for the conveyance of the abandoned lighthouse reservation and buildings, including detached tower, situate within the city limits of Erie, Pa., to the city for public-park purposes (Rept. No. 1139);

H.R. 5665. An act authorizing the control of floods in the Salmon River, Alaska (Rept. No. 1140); and

H.J.Res. 340. Joint resolution to harmonize the treaties and statutes of the United States with reference to American Samoa (Rept. No. 1141).

Mr. STEPHENS also, from the Committee on Commerce, to which was referred the bill (S. 3526) to amend the Air Commerce Act of 1926 and to increase the efficiency of the Aeronautics Branch of the Department of Commerce with respect to the development and regulation of civil aeronautics, reported it with an amendment and submitted a report (No. 1142) thereon.

He also, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 2343. An act for the relief of Herbert E. Matthews (Rept. No. 1148); and

S. 2613. An act for the relief of Jewell Maness (Rept. No. 1149).

Mr. STEPHENS also, from the Committee on Claims, to which was referred the bill (S. 2336) for the relief of the estate of Mrs. Donnie Wright, deceased, reported it with amendments and submitted a report (No. 1150) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H.R. 7082. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way, in and in the vicinity of the city of Lodi, and near the station of Acampo, and in the city of Tracy, all in the county of San Joaquin, State of California, and in or in the vicinity of Galt and Polk, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat.L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat.L. 356) (Rept. No. 1124);

H.R. 7098. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way in and in the vicinity of the town of Gridley, all in the county of Butte, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 25, 1866 (14 Stat.L. 239) (Rept. No. 1125);

H.R. 7360. An act to establish a minimum area for the Great Smoky Mountains National Park, and for other purposes (Rept. No. 1155);

H.R. 7653. An act to authorize the establishment of the Ocmulgee National Monument in Bibb County, Ga. (Rept. No. 1156); and

H.R. 8779. An act to authorize the Secretary of Agriculture to adjust claims to so-called "Olmstead lands" in the State of North Carolina (Rept. No. 1157).

Mr. WAGNER also, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2987) to restore homestead rights in certain cases, reported it with an amendment and submitted a report (No. 1158) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H.R. 7212. An act to remove the limitation upon the extension of star routes (Rept. No. 1159); and

H.R. 7301. An act to authorize the Postmaster General to charge an additional fee for effecting delivery of domestic registered, insured, or collect-on-delivery mail, the delivery of which is restricted to the addressee only, or to the addressee or order (Rept. No. 1126).

Mr. McKELLAR also, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2333. An act for the relief of John J. Moran (Rept. No. 1127);

S. 3407. An act authorizing the establishment and maintenance of an industrial plant at Reedsville, W.Va. (Rept. No. 1132);

H.R. 3214. An act to compensate the Post Office Department for the extra work caused by the payment of money orders at offices other than those on which the orders are drawn (Rept. No. 1128);

H.R. 5334. An act to amend the third clause of section 14 of the act of March 3, 1879 (20 Stat. 359; U.S.C., title 39, sec. 226) (Rept. No. 1129);

H.R. 6675. An act to authorize the acknowledgment of oaths by post-office inspectors and by chief clerks of the Railway Mail Service (Rept. No. 1130);

H.R. 7213. An act to provide hourly rates of pay for substitute laborers in the Railway Mail Service and time credits when appointed as regular laborer (Rept. No. 1131);

H.R. 7299. An act to authorize the Post Office Department to hold contractors responsible in damages for the loss, rifling, damage, wrong delivery, depredation upon, or other mistreatment of mail matter due to fault or negligence of the contractor or agent or employee thereof (Rept. No. 1160);

H.R. 7317. An act to provide for the final construction, on behalf of the United States, of postal treaties or conventions to which the United States is a party (Rept. No. 1133);

H.R. 7340. An act to authorize the Post Office Department to hold contractors or carriers transporting the mails by air or water on routes extending beyond the borders of the United States responsible in damages for the loss, rifling, damage, wrong delivery, depredations upon, or other mistreatment of mail matter due to fault or negligence of the contractor or carrier, or an agent or employee thereof (Rept. No. 1134);

H.R. 7343. An act to remove inequities in the law governing eligibility for promotion to the position of chief clerk in the Railway Mail Service (Rept. No. 1161);

H.R. 7711. An act to permit postmasters to act as disbursing officers for the payment of traveling expenses of officers and employees of the Postal Service (Rept. No. 1135);

H.R. 9046. An act to discontinue administrative furloughs in the Postal Service (Rept. No. 1136); and

H.R. 9392. An act to reclassify terminal railway post offices (Rept. No. 1162).

Mr. BARKLEY, from the Committee on Banking and Currency, to which was referred the bill (S. 605) authorizing national banks to establish branches in certain cases, reported it with an amendment.

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (H.R. 5018) to correct the naval records of former members of the crews of the revenue cutters *Algonquin* and *Onondaga*, reported it without amendment and submitted a report (No. 1137) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (H.R. 9068) to provide for promotion by selection in the line of the Navy in the grades of lieutenant commander and lieutenant; to authorize appointment as ensigns in the line of the Navy all midshipmen who hereafter graduate from the Naval Academy; and for other purposes, reported it with amendments and submitted a report (No. 1154) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 3640) granting the consent of Congress to the Tensas Basin Levee Board of the State of Louisiana to construct, maintain, and operate a free highway bridge across Bayou Bartholomew, at or near its mouth in Morehouse Parish, La., reported it without amendment and submitted a report (No. 1138) thereon.

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the bill (S. 3237) to repeal certain provisions of the act of March 4, 1933, and to reenact sections 4 and 5 of the act of March 2, 1929, reported it with an amendment and submitted a report (No. 1143) thereon.

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 2074) for the relief of James R. Mansfield, reported it without amendment and submitted a report (No. 1144) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 2501. An act for the relief of Dr. R. N. Harwood (Rept. No. 1145); and

S. 3122. An act for the relief of H. N. Wilcox (Rept. No. 1146).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 3160) for the relief of Charles E. Secord, reported it with amendments and submitted a report (No. 1147) thereon.

Mr. ASHURST, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 3657) authorizing the construction of a dam on the San Pedro River, Ariz., reported it with an amendment and submitted a report (No. 1151) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H.R. 3992) for the relief of C. A. Betz, reported it without amendment and submitted a report (No. 1152) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the joint resolution (H.J.Res. 347) to prohibit the sale of arms or munitions of war in the United States under certain conditions, reported it without amendment and submitted a report (No. 1153) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on the 23d instant that committee presented to the President of the United States the following enrolled bills:

S. 1328. An act to provide for the donation of certain Army equipment to posts of the American Legion;

S. 1882. An act to authorize the Secretary of the Interior to issue patents for lots to Indians within the Indian village of Taholah, on the Quinalt Indian Reservation, Wash.;

S. 2042. An act to establish a department of physics at the United States Military Academy at West Point, N.Y.;

S. 2442. An act for the protection of the municipal water supply of the city of Salt Lake City, State of Utah;

S. 2794. An act to amend the Longshoremen's and Harbor Workers' Compensation Act with respect to rates of compensation, and for other purposes;

S. 3114. An act to extend the times for commencing and completing the construction of certain bridges in the State of Oregon;

S. 3355. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundredth anniversary of the birth of Daniel Boone;

S. 3397. An act to amend the laws relating to the length of tours of duty in the Tropics and certain foreign stations in the case of officers and enlisted men of the Army, Navy, and Marine Corps, and for other purposes; and

S. 3436. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain proceedings against the Electro-Metallurgical Co., New-Kanawha Power Co., and the Union Carbide & Carbon Corporation.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

A bill (S. 3675) to amend section 5 of the act of March 2, 1919, generally known as the "war minerals relief statutes" (with accompanying papers); to the Committee on Mines and Mining.

By Mr. STEPHENS:

A bill (S. 3676) to provide for a census of unemployment, employment, and occupations to be taken as of November 12, 1934, and for other purposes; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 3677) to amend the National Defense Act of June 3, 1916, as amended; to the Committee on Military Affairs.

By Mr. FLETCHER:

A joint resolution (S.J.Res. 128) to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital; to the Committee on Military Affairs.

RECIPROCAL TARIFF AGREEMENTS—AMENDMENTS

Mr. BARBOUR. Mr. President, I send to the desk an amendment intended to be proposed by me to the pending

tariff bill, which I ask to have printed and lie on the table. It is my intention to call it up later.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. LONG submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (H.R. 8687) to amend the Tariff Act of 1930, which was ordered to lie on the table and to be printed.

FINANCING OF HOME CONSTRUCTION AND REPAIR—AMENDMENT

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (S. 3603) to improve Nation-wide housing standards, provide employment, and stimulate industry; to improve conditions with respect to home-mortgage financing, to prevent speculative excesses in new mortgage investment, and to eliminate the necessity for costly second-mortgage financing, by creating a system of mutual mortgage insurance and by making provision for the organization of additional institutions to handle home financing; to promote thrift and protect savings; to amend the Federal Home Loan Bank Act; to amend the Federal Reserve Act, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent at this time that the Committee on Finance be discharged from the further consideration of the bill (H.R. 1) to provide for controlled expansion of the currency and the immediate payment to veterans of the face value of their adjusted-service certificates, now in that committee.

The VICE PRESIDENT. Is there objection to the request of the Senator from Minnesota?

Mr. HARRISON. Mr. President, much as I regret to have to raise an objection to any request submitted by the Senator from Minnesota, I feel constrained, while the tariff bill is under consideration by the Senate, to object.

The VICE PRESIDENT. Objection is heard.

Mr. SHIPSTEAD. Then I serve notice that in the next morning hour, or when the unfinished business, the tariff bill, shall have been disposed of, I shall move to discharge the Finance Committee from the further consideration of the bill to which I have referred.

AMENDMENT OF SECTION 233 OF THE CRIMINAL CODE

Mr. GORE. Mr. President, I desire to ask unanimous consent that the bill (S. 3319) to amend section 233 of the Criminal Code, as amended, be taken from the calendar and ordered to lie on the table.

Mr. BARBOUR. Mr. President, I do not want to object; I merely wish to mention the fact that the bill is one which I introduced, and I am entirely agreeable to the request just made by the Senator from Oklahoma.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. GORE. In connection with this matter I request that two telegrams may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

TULSA, OKLA., May 22, 1934.

Hon. THOMAS P. GORE,

United States Senate, Washington, D.C.:

Am informed Senate bill 3319, amending Criminal Code, section 233, so as to give Interstate Commerce Commission certain jurisdiction over "all persons, including corporations or partnerships, engaged in interstate or foreign commerce", as distinguished from common carriers, has been reported favorably by Senate Judiciary Committee. Effect of this bill will be to bring under jurisdiction of Interstate Commerce Commission all persons or corporations transporting gasoline or other refined products of petroleum in interstate or foreign commerce, including owners of private automobiles. I think bill is objectionable on many grounds: First, the police power of the States is sufficient and is being exercised to fully protect the public against improper handling or transportation of gasoline within the various States; second, the jurisdiction conferred on Interstate Commerce Commission by this bill would lead to a conflict of power between the Government and the various States; third, above all, the bill would subject private persons and corporations, and especially oil companies, to unnecessary and burdensome regulation by Interstate

Commerce Commission. I will appreciate your giving this matter your most careful consideration and opposing the measure, if you think it consistent with public interest.

J. C. DENTON.

OKLAHOMA CITY, OKLA., May 22, 1934.

Hon. T. P. GORE,

Senate Office Building, Washington, D.C.:

Advised Senate bill 3319—BARBOUR—attempts to restrict State jurisdiction over transportation of explosives, including petroleum products, when moving via motor vehicles. This imposes undue hardship on State regulation and doubly so in view of fact that Interstate Commerce Commission does not regulate motor-vehicle transportation. Bill should be recommitted for public hearing pending passage motor-vehicle legislation.

CORPORATION COMMISSION,
PAUL A. WALKER, Chairman.

PROCEDURE IN IMPEACHMENT TRIALS

Mr. ASHURST. Mr. President, I respectfully invite the attention of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Oregon [Mr. McNARY] to the request I am about to make. In view of certain proceedings which are now or may soon take place in another branch of Congress, I respectfully ask that Senate Resolution No. 242 be read and considered at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the resolution (S.Res. 242), which had been reported from the Committee on the Judiciary with amendments, on page 2, line 3, after the word "report", to strike out "in writing to the Senate upon the completion of the taking of testimony, including therein a certified transcript of the same" and to insert "to the Senate in writing a certified copy of the transcript of the proceedings and testimony had and given before such committee"; on line 10, after the word "purposes", to insert "subject to the right of the Senate to determine competency, relevancy, and materiality"; and on line 12, after the word "Senate", to insert "but nothing herein shall prevent the Senate from sending for any witness and hearing his testimony in open Senate, or by order of the Senate having the entire trial in open Senate", so as to make the resolution read:

Resolved, That in the trial of any impeachment the Presiding Officer of the Senate, upon the order of the Senate, shall appoint a committee of 12 Senators to receive evidence and take testimony at such times and places as the committee may determine, and for such purpose the committee so appointed and the chairman thereof, to be elected by the committee, shall (unless otherwise ordered by the Senate) exercise all the powers and functions conferred upon the Senate and the Presiding Officer of the Senate, respectively, under the rules of procedure and practice in the Senate when sitting on impeachment trials.

Unless otherwise ordered by the Senate, the rules of procedure and practice in the Senate when sitting on impeachment trials shall govern the procedure and practice of the committee so appointed. The committee so appointed shall report to the Senate in writing a certified copy of the transcript of the proceedings and testimony had and given before such committee, and such report shall be received by the Senate and the evidence so received and the testimony so taken shall be considered to all intents and purposes, subject to the right of the Senate to determine competency, relevancy, and materiality, as having been received and taken before the Senate, but nothing herein shall prevent the Senate from sending for any witness and hearing his testimony in open Senate, or by order of the Senate having the entire trial in open Senate.

The VICE PRESIDENT. The question is on agreeing to the amendments reported by the committee. Without objection, the amendments are agreed to.

Mr. McNARY. Mr. President, I have not had an opportunity to study the resolution carefully. It proposes a short route and has much to commend it, but let me ask the Senator from Arizona if it was considered by the full Committee on the Judiciary and whether hearings and discussion were had?

Mr. ASHURST. Mr. President, this resolution was not reported to the Senate on a poll of the committee. It was laid before the Senate Committee on the Judiciary and was discussed. Of course, not all the members of the committee were present, but a legal quorum in person were present. All those members present voted in favor of the resolution as amended.

The resolution provides that the Senate, if it desires, upon order, may retain its ancient practice such as we have always

known, or if the Senate so desires and makes an order to that effect, the presiding officer may appoint a committee of 12 Senators, who would go into the country and take the testimony rather than bring the witnesses here. The attorneys for the respondent and the managers for the House would, of course, have the right to appear before the committee and interrogate all witnesses. The testimony would be taken and certified to the Senate. The Senate, under the terms of the resolution, has reserved to itself the right to pass upon all questions of competency, relevancy, and materiality, and the Senate specifically reserves the right to hear any one witness or all of the witnesses if it chooses.

After the testimony is printed and laid before the Senate sitting as a Court of Impeachment, the respondent may argue and the managers may argue before the entire body of the Senate, and a vote is then taken by the entire Senate in accordance with the Constitution and our present rules.

Mr. McNARY. Have the able Chairman and members of the Committee on the Judiciary any doubt about the power of the Senate to proceed in this fashion?

Mr. ASHURST. I have no doubt. I am certain that it is constitutional. If I am permitted to speak of what may be the view of Members of another body of Congress, many of the lawyers of another body also take the view that this is not repugnant to the Constitution. No right of the respondent is taken from him. The testimony is taken by the committee if the Senate so chooses, and the committee selects its own chairman.

Mr. ROBINSON of Arkansas. Mr. President, I think it should be said in the consideration of the resolution that the procedure contemplated by it constitutes a departure from the practice which has heretofore prevailed in the Senate in the trial of impeachment cases. It has been the custom of the Senate to sit as a court and to hear the testimony while sitting as a court, the result being that long periods of time are required for the consideration of impeachment cases. Inasmuch as the question as to whether the Senate shall proceed in accordance with the resolution or under its former custom is reserved under the terms of the resolution, I believe the resolution should be adopted.

There has been raised by some a question as to the power of the Senate to proceed under the terms of the resolution. A brief study of that question has tended to convince me that there is no question of constitutionality involved in the resolution.

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Louisiana?

Mr. ROBINSON of Arkansas. I yield.

Mr. LONG. I may say, having studied the question for a number of months, that it is within the power of the Senate to impeach a man without any evidence at all. The Senate may convene, and a motion may be made that the charges of the House be sustained, and on a vote of the Senate the impeachment may be sustained. There is no question of the constitutionality of the method proposed in the resolution.

Mr. ROBINSON of Arkansas. I agree with the conclusion and had already stated the conclusion, but, of course, the statement of the Senator from Louisiana raises a question of propriety to which I would not give my assent. I think there should be an orderly trial upon the evidence in all cases of impeachment, because, while it is not a criminal procedure, it involves action and results which very seriously affect not only the public interest but the interest and welfare of those who are charged with misconduct in office.

The practice of the Senate in the enactment of legislation—in fact, the practice in all legislative bodies with which I am familiar—is to refer matters of legislation to the consideration of committees, and when the committees have made their report, the Senate, or other legislative bodies, proceed to legislate. As I understand, it is not expected that under the resolution the committee would report a recommendation, but that the committee would merely hear the evidence and return it to the Senate for such action as the Senate might choose to take.

Mr. ASHURST. Mr. President, the Senator's conclusion is correct. It is not expected the committee shall have any power to make any recommendation whatever.

Mr. ROBINSON of Arkansas. In any event, when a case of impeachment arises and the Senate has before it the obligation of proceeding in that case, it will then be for the determination of the Senate whether to conform to the custom to which I have already referred or to proceed under the terms of the resolution.

Mr. ASHURST. The Senator is correct.

Mr. JOHNSON. Mr. President, I think I understand the purpose, and I think I sympathize with the endeavor of the resolution, but there are some things in connection with it concerning which I am not entirely clear.

An impeachment is a trial of the very highest character, infinitely more important from my standpoint than a mere penal investigation. It is now sought by the resolution, as I follow it, to have the testimony taken by a committee which shall be appointed by the Senate or by the Presiding Officer of the Senate and to report subsequently the testimony thus adduced. A trial means, of course, a trial of the questions of fact which are involved. Not only does a written record enter into that trial, but a determination of the facts depends quite as much upon the witnesses who are called, their appearance on the stand, their mode of giving testimony, and the like. All of us who are familiar with trials understand that.

That the procedure we have at present is an irksome one, fatiguing to the Senate and disagreeable to us all, none will deny. We should like, if we could, to substitute some other method for it. But in a case of impeachment, a matter of such grave concern and importance, is it well for us to indulge in a trial, as it were, vicarious in character, which really will be conducted by a committee appointed by the Senate? I am not clear on that point.

I do not want to oppose the resolution. I should like it to go over for a day and have it taken up tomorrow or at any time that may be convenient to the distinguished Senator who presides over the Judiciary Committee. I should like to consider during that time and have those who listen to me here consider whether it is a wise provision, notwithstanding the annoyances which are attendant upon it so far as the Senate is concerned, for us to alter the procedure by which in reality—because after all in reality it will occur—the questions of fact shall be determined by a committee of the Senate rather than by the Senate itself.

Mr. ASHURST. The Senator from Arkansas [Mr. ROBINSON], and the Senator from California [Mr. JOHNSON], in language which well becomes them, have discussed some of the features of this resolution. Possibly a score of Senators during the past 6 months have urged the Chairman of the Judiciary Committee to study this question. I have examined all the English cases, and have read carefully all the American cases. As the Senator from Arkansas pointed out, an impeachment is not a trial in the sense of a criminal case. It is somewhat analogous to the English *scire facias*, or removal-from-office procedure.

I should be the last one to deprive the Senate, or to deprive the respondent, if I could, of the right to have the Senate hear all the witnesses.

Three days before our Constitutional Convention of 1787 met Warren Hastings was impeached at the bar of the House of Lords in England for misbehavior in office as the ruler of the people of India, whose numbers were counted by millions; and the mails coming across the Atlantic brought to the lawyers in the States here accounts of the accusations against the respondent, Hastings, particularly accounts of the eloquent speech of Burke and Sheridan's gorgeous denunciation. The trial of Warren Hastings lasted, I believe, 11 years, and of the more than 170 peers who commenced the trial only 29 sat and pronounced the verdict at the close; and some of the 29 were peers created since the trial began and who, therefore, had not heard either the opening or much of the evidence. During the trial of Hastings at times only three peers were present.

I cannot believe that the respondent, under our resolution, would have any vital right taken from him if a committee of 12 Senators were appointed merely to take the testimony and report a transcript of the testimony to the Senate. The able Senator from California will perceive that the resolution reserves to the Senate the right at any time to hear any one witness or all of them. The able Senator from California—one of the best lawyers the Pacific coast ever produced—is quite correct in his statement that juries and senates naturally wish to see the witness; they want to observe his manner; they can tell more about his approach to truth and accuracy by seeing him than they may by reading the transcript. This resolution protects that feature and reserves it to the Senate. I am sure that on the suggestion of any Senator at any time during a trial the Senate would at once send for the witness.

In view of the Senator's request—which he has a right to make—that the resolution go over, I cheerfully consent.

The VICE PRESIDENT. The resolution will go over.

SALE OF ARMS OR MUNITIONS OF WAR

Mr. PITTMAN. Mr. President, there is on the calendar a joint resolution (H.J.Res. 347) which has just been passed by the House, authorizing the President in his discretion to prohibit the sales of munitions of war in the United States for transportation to both of the warring countries in the Chaco. The joint resolution was first introduced by me in the Senate, was considered by the Foreign Relations Committee, which unanimously reported it, and that report is on the desk.

I have asked to have the House joint resolution substituted for the joint resolution of the Senate, which request has been granted. I now ask unanimous consent for the present consideration of the joint resolution, as it is a very important matter.

The VICE PRESIDENT. The joint resolution will be read for the information of the Senate.

The legislative clerk read the joint resolution (H.J.Res. 347) to prohibit this sale of arms or munitions of war in the United States under certain conditions, as follows:

Resolved, etc., That if the President finds that the prohibition of the sale of arms and munitions of war in the United States to those countries now engaged in armed conflict in the Chaco may contribute to the reestablishment of peace between those countries, and if after consultation with the governments of other American Republics and with their cooperation, as well as that of such other governments as he may deem necessary, he makes proclamation to that effect, it shall be unlawful to sell, except under such limitations and exceptions as the President prescribes, any arms or munitions of war in any place in the United States to the countries now engaged in that armed conflict, or to any person, company, or association acting in the interest of either country, until otherwise ordered by the President or by Congress.

Sec. 2. Whoever sells any arms or munitions of war in violation of section 1 shall, on conviction, be punished by a fine not exceeding \$10,000 or by imprisonment not exceeding 2 years, or both.

Mr. McNARY. Mr. President, what is the request of the Senator from Nevada?

Mr. PITTMAN. The House joint resolution is identical with a joint resolution introduced by me in the Senate and referred to the Foreign Relations Committee. It was considered on yesterday by that committee and there was a unanimous report in favor of it. The joint resolution has just passed the House of Representatives by unanimous vote. It is considered a very important measure. The State Department has been in conference with representatives of South American countries for some time with regard to the matter. There has been some criticism from abroad because of our apparent delay in taking action.

Mr. McNARY. May I ask the Senator if the joint resolution has gone to the calendar?

Mr. PITTMAN. Yes.

Mr. McNARY. The Senator is now asking to take it from the calendar?

Mr. PITTMAN. I have asked unanimous consent for its immediate consideration.

Mr. McNARY. How long has it been on the calendar?

Mr. PITTMAN. The original Senate joint resolution has been on the calendar 2 days.

Mr. McNARY. I am quite in accord with the principle involved in the joint resolution. I do not know what emergency exists to pass upon it before a call of the calendar is had, when every Senator is notified of the measures that may be considered. The Senator is suggesting a practice which I do not like. No one has had notification of the matter, though I presume most Members of the Senate favor it.

Mr. PITTMAN. There was reported out and passed by the Senate a general munitions war embargo bill. That measure gave to the President of the United States discretion to determine to which countries he would apply the embargo. The Foreign Relations Committee amended the measure so that the embargo had to apply to both warring countries or to neither of them. The joint resolution is so drafted as to meet the objections made to the original measure and to conform to that principle. For that reason those members of the Foreign Relations Committee who insisted on the amendment of the former measure have approved of this one.

The emergency is simply that two South American countries are warring and have been for a long time. Nearby South American countries have been doing all they could to bring about peace. The joint resolution will probably not present the war which is going on but it will limit the field, because they are attempting to buy bombing planes, and if they get possession of bombing planes they will carry the warfare beyond its present territory to noncombatants, involving women and children. I think we all agree that the sooner we can stop the war the better it will be for all.

Mr. McNARY. Is the committee unanimous in its report?

Mr. PITTMAN. Absolutely unanimous.

Mr. McNARY. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

TEACHERS' OATHS—ARTICLE BY DR. GEORGE J. RYAN

Mr. BORAH. Mr. President, I ask to have published in the RECORD an article written by Dr. George J. Ryan, president of the New York Board of Education, entitled "Teachers' Oaths", which appeared in today's Washington Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Herald of May 24, 1934]

TEACHERS' OATHS

(By Dr. George J. Ryan, President New York Board of Education)

(The following article is of timely interest because of the recent controversy occasioned by the Ives bill, concerning teachers' oaths of loyalty, which was passed by the New York Legislature and which Governor Lehman vetoed on the ground that it duplicated existing laws.)

The American people for more than 150 years have enjoyed the greatest amount of liberty ever enjoyed by any people.

The guaranty of this liberty is contained in the Federal Constitution, which is the definition of the limits within which the American people consented to be governed by their representatives.

This Constitution provides for all of the freedoms that man has ever sought to achieve—freedom of speech, freedom of the press, freedom of assembly, and freedom to think and act in accordance with the dictates of his conscience and judgment.

This Constitution has ever offered to the American people the fullest opportunity to seek life, liberty, and happiness. No other constitution, no other form of government, has guaranteed as great an amount of individual liberty or as sure a guaranty of these freedoms.

When one is asked to take an oath of loyalty to this Constitution he is asked simply to reaffirm his loyalty to the principles embodied in it. I think that the superintendent of schools, Dr. Harold G. Campbell, has stated our position as clearly as it could be stated when, in his letter to the United Parents' Association, he said in substance what has been stated above, but I shall give his exact words:

"To my mind, a pledge of loyalty to the Constitution that has made possible the greatest amount of individual freedom in all history is a pledge to the continuance of this freedom and a safeguard against its restriction.

"All of the freedom that we hold sacred—freedom of speech, freedom of the press, and freedom of assembly—is guaranteed in this Constitution. To affirm one's loyalty to it is but to affirm loyalty to the maintenance of the rights, liberties, and freedoms

that we Americans have ever enjoyed—to speak and act in accordance with the dictates of conscience and judgment.

"Without this Constitution, freedom of teaching might not exist, and freedom of speech and freedom of the press might be restricted. If we hold these things worth while, we must hold to this Constitution and be loyal to it."

The newspapers of William Randolph Hearst are to be congratulated for their enunciation of the American doctrine and for their clear statements of what the Constitution means and what loyalty to it should mean.

THE ADMINISTRATION OF FRANKLIN D. ROOSEVELT—ADDRESS BY POSTMASTER GENERAL FARLEY

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered over the long-distance telephone to the Richmond Hill (N.Y.) Kiwanis Club luncheon by Postmaster General James A. Farley, May 24, 1934.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

May I take this opportunity to give you a "long-distance" thank you for your kindness in listening to me today. I should like to be with you. Civic and social organizations such as yours perform a healthy and needful function in our Government. You in your way keep alive the spirit of service. You know, as do I, that there have been times in the history of our Government when the spirit of service to our country has been forgotten. Some of these periods of indifference, selfishness, and greed are so recent as to be familiar to all of us. I maintain the belief that we now have in this country given expression to a national policy and a national philosophy of unselfish service to the people—the mass of people—under the inspirational leadership of an unselfish President—Franklin D. Roosevelt.

If the national leadership has borrowed from your organization's own ideal, it betokens a kinship between you in New York and elsewhere and us in Washington. It is a kinship that seeks to find a common ground for service to our country. It is a kinship that finds reward in the good that can be done. There is an old Jesuit saying that more good could be done in the world if there wasn't so much dispute about who is to get the credit for it. Here in Washington, all of us are loyally serving under the humane and spiritual guidance of a great leader. We have not hesitated to follow President Roosevelt's banner; we have been proud to serve in his army—and with him we can rejoice today that the Nation is on its way to better days.

There are critics of government; there are critics of policy; there are critics of results—but I know you will agree with me that this is no place for critics of purpose. You may not see eye to eye with us as to the methods we have used and are using, but you cannot take us to task for the spirit and purpose of our efforts. We are trying; we are, it is needless for me to assert, imbued with a high purpose. And we have but to turn back the pages of the calendar to those dark days of early 1933, when gloom was everywhere, when business was prostrate, when banks were tottering, when the very fiscal system of the Government itself hung in the balance.

I can never forget the thrill that was mine, and I know must have been experienced by every American citizen who heard Franklin D. Roosevelt pronounce his fearless and forceful inaugural on that cold March day. "I promise you action", was what he said. And we got action—action that in less than 30 days replaced an unreasoning fear with a heart-stirring promise. Action that brought business back to sanity; that sobered an entire country; that gave us courage to turn our faces to the long, hard road that has led and is leading to better times for all.

With stout heart, intelligent foresight, patience, initiative, resourcefulness, and an abiding faith in divine Providence, he has kept up the fight that has slowly but surely enabled him to bring order out of chaos; given us time to take stock of our moral and material resources, and banished the fears of pessimism. It has been a hard road; but a confident, cheerful, and valiant leadership has brought us a long way on it, and now the way ahead seems easier and smoother.

So, I repeat, this is no time for criticism of purpose. The Roosevelt program is succeeding because it is based on the ideal of service to our country—real and definite service to the mass of our people.

You must admit that our pilot has a stout heart. He took the helm when every wave looked as though it might engulf the ship. To all practical purposes we were lost on an ocean, with even the compass not to be trusted. So, I say, every measure that was undertaken under President Roosevelt's leadership had as its chief aim the rebuilding of confidence of the people, confidence in themselves and confidence in our institutions.

The hot blasts of criticism are now blowing full force on some of these emergency measures. One of them is the National Industrial Recovery Act. Recently its operation has been assailed, not alone from one angle but from several. The left wing shouts "monopoly"; the right wing shouts "socialism." But between these two, the good ship N.R.A. has steered its course. It has done some things effectively. It has practically eliminated child labor. It has provided minimum wages. It has sought to reduce the hazards of illegal and unreasonable competition. It has, contrary to the assaults of its detractors, served to protect the "little man"

in industry. It has consistently fought monopoly. Its very organic act prohibits it. The very aim of the N.R.A. is, as quoted in its statement of policy, "promoting the organization of industry for the purpose of cooperative action among trade groups * * * under adequate governmental sanction and supervision."

The purpose of N.R.A. in seeking to ban sales below cost is for the benefit of the masses, because sales below cost eventually produce two certain results—reduced wages and lowered standards of living for labor. The Recovery Act requires N.R.A. to protect both. The job of N.R.A., therefore, is to strike a balance between the interest of the consumer on the one hand and the wages of labor and small business on the other. It must aim for a price structure high enough to maintain small enterprise and labor wages and yet low enough to protect the consumer.

There may be inequalities in some of the codes, but, generally speaking, in the major industries they have functioned to the advantage of both the industry and the employee. The lumber code, for example, is assailed because it is supposed to hurt the little fellow. In July 1933 there were 13,636 sawmills in operation. In March 1934 there were 15,170, an increase of 1,534.

It may be popular to attack and assail some features of this code, but I am certain much of this attack originates with the same self-centered persons who a short 14 months ago were calling frantically on the Government to come to their rescue. The N.R.A. has served to bring the Nation's industry and business back to its feet. The trade figures and the production statistics all prove the point.

Just as selfish greed in business and industry is being curbed by the N.R.A., just so will the greed and selfishness of many of the evil practices of stock promotion and speculation be curbed by the stock-exchange regulation bill which has passed both Houses of the Congress and will soon be reported from conference. Whatever agency is set up for the control of stock exchanges in the final form of this legislation, you may be sure of one thing—there will be no undue curb on legitimate and fair practices and business in the purchase and sale of securities. The Government is not seeking to destroy what is right; it is seeking to curb and stamp out only those practices and customs which have in the past caused terrific and frightful losses to the investing public.

These and other new recovery measures all have as their one main thought, their one main philosophy, the upbuilding of confidence; the recovery of business and industry; the stabilization of trade and finance; in short, the return to our common country of its heritage of a sane and substantial prosperity.

We are on the right road. We are on the safe road. The American people are with President Roosevelt. Make no mistake about that. They recognize in him a leadership of that rare quality which history gives us but once or twice in a century. The people have an abiding faith that their trust in the Roosevelt program is well placed.

Just as the Tory Whigs a hundred years ago assailed the new day of common liberty that Andrew Jackson brought with him, just so are the Tory opponents of President Roosevelt today assailing the new dawn that has broken for the American people. Just as Andrew Jackson brought to the people a new concept of public right over private privilege, so has President Roosevelt created a new picture in the rebirth of opportunity for the average man.

I thank you.

TAXATION OF THE OIL INDUSTRY—ADDRESS BY B. H. MARKHAM

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered May 16, 1934, by Gen. Baird H. Markham, of my State, during the International Petroleum Exposition at Tulsa, Okla. It is an able and illuminating discussion of the double, treble, and quadruple taxation of the oil industry by the National, State, and local governments—the overtaxation of a single industry and the overtaxation of a single class of consumers. It is as conclusive as a mathematical demonstration.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TAXES TO SUSTAIN OR TAXES TO DESPOIL?

I am pleased, indeed, to be granted the privilege of returning to Oklahoma, as "there is no place like home." I am doubly pleased on this occasion as I present the question of unjust, burdensome, and ruinous taxation—having assurance that I speak to those who fully appreciate and understand.

The American petroleum industry has been, and is being, victimized from a taxation standpoint in a manner and to a degree probably unparalleled in recent history.

The thought that there is no deliberate intention of destroying the industry is a source of scant comfort. It neither alters nor relieves the situation. Legislation and taxation which cause damage are no less destructive because they were intended to accomplish something else.

Government has accepted the responsibility for the present and future welfare of this and other industries. But, while one branch of the Government may be doing everything within its power to restore industry, another branch, largely due to a misunderstanding of this industry's problems, through punitive taxation, is very seriously handicapping this and other industries. Apparently some representatives in Government, both Federal and State, have not

yet learned that the fundamental purposes of the National Recovery Act are the improvement of business and economic recovery.

The petroleum industry has withstood heavy punishment. It should take steps to make sure that future legislative psychology will not be based upon the argument that as this industry successfully weathered a depression under such handicaps, it will be able to absorb even more punishment under more prosperous conditions. Time and effort should be devoted toward making legislators and the public alike realize that this industry faces an era of high taxes, stern regulations, and narrow restriction that well might disrupt, if not destroy, any industry.

The situation, briefly, may be outlined as follows:

The tax bill of the industry now exceeds \$1,000,000,000 a year. That is the equivalent of \$1,000 taxes upon every worker.

The tax collector annually gets an amount of money exceeding 8 percent of the industry's \$12,000,000,000 capital investment, regardless of whether the industry earns even the interest.

The annual tax upon gasoline, this industry's chief source of income, has increased from \$1,000,000 to more than \$700,000,000. That is the equivalent of \$700 taxes upon every worker.

The gasoline tax rate has grown 7,500 percent, and the tax revenue has increased 6,000 percent in 14 years.

The average tax on the 24 gallons of gasoline extracted from a barrel of crude oil amounts, on the average, to \$1.29. That is larger than the amount received from the sale of this commodity. It is equal to 100 percent, or more, of the wholesale price of the gasoline itself.

Federal taxes upon this industry provide nearly 20 percent of the total revenues collected by the Bureau of Internal Revenue, exclusive of income taxes.

The highway user, this industry's largest single customer, has been made the largest single taxpayer by most States and by the Federal Government.

The petroleum industry itself is one of the largest, if not actually the largest, of the Nation's industrial taxpayers. That means, also, that the workers of this industry and our customers are among the heaviest contributors to the support of government.

Every operation and product of this industry is taxed in some form or other. A total of 116 taxes are levied upon it, 24 by the Federal Government, 68 by State governments, 5 by county governments, and 19 by municipalities.

Taxes levied upon the operations, products, services, and upon the customers of this industry permit the tax collector to dip into the pockets of every customer, every investor, and every worker.

The motor vehicle and its owner represent the largest consumers of this industry's products. The fortunes of this industry depend largely upon the future of highway transportation. To handicap motor-vehicle operation is to injure this industry. That is the menace of excessive taxation and of unnecessary and restrictive regulation. Already some 27 types of taxes are levied upon the operator of the motor vehicle.

In 1933 the motor-vehicle tax bill reached a new all-time high, above \$1,180,000,000. This represented more than 11 percent of all the taxes paid to all units of government—Federal, State, and local—in the entire country. The average tax per motor vehicle in 1933 has been estimated at \$50.47, representing more than 25 percent of the value of the vehicle. In 4 years the average car is paid for over again in taxes. The Federal Government alone in 1933 took more than \$257,000,000 in taxes from the motor-vehicle operator. That was three times the amount of such Federal taxes in 1932. In the past 2 years of taxation the Federal Government has collected, roundly, \$350,000,000 from the motorist, of which more than \$240,000,000 represented taxes on gasoline and \$30,000,000 taxes upon lubricating oil.

Gasoline taxes alone have made motor-vehicle operating costs so expensive in some sections of this country that there has been for 2 years a drastic and discouraging decline in the registration and use of motor vehicles. Taxes upon gasoline are not only high in themselves, but they are duplicated by Federal, State, county, and local taxes. The average State and Federal gasoline tax in 1933 was, in effect, a retail sales tax of \$43.59, a wholesale sales tax of more than 100 percent.

High gasoline taxes, first, because of their cost and then because of the tax evasion and other evils they create, are an absolute barrier to restoration of oil and gasoline prices to fair and satisfactory levels. Study of exactly comparable gasoline-consuming areas over a period of years definitely has revealed that every 1-cent increase in the gasoline tax rate reduces consumption by 5 percent. On that basis a 20-cent tax would abolish the use of gasoline as motor fuel. One State, with Federal, State, county, and city gasoline taxes reaching a total of 11 cents, already is better than half way to that maximum.

With gasoline tax rates at present exorbitant levels, fewer consumers can afford to consume. With tax evasion as prevalent as it has been, few marketers can hope to maintain a profitable price. History reveals that a sales tax of 10 percent is the highest that satisfactorily can be imposed and fully collected. The only possible method of ending the evils arising from gasoline taxation is to reduce tax rates to a level which makes tax evasion unprofitable and overcomes the sales resistance created by the additional cost represented by taxes.

The petroleum industry has supported the gasoline-tax method of financing highways. To the extent that these taxes, levied at reasonable rates, paid by all, and fully collected, bear a fair share of the cost of necessary and economically built highways, the full support of the industry is merited.

A study of the trend of gasoline prices and tax rates since 1919 reveals that while technical and other developments within the industry itself, and the effects of competition, have served to force prices to successively lower levels, the major influence for depression has been excessive taxation. You have only to compare prices, taxes, and oil company net profits in the past 15 years to realize that this industry largely has financed the building of the Nation's highways to its own financial detriment. I think you will agree with me that it is something less than advisable, so far as the financial welfare of this industry is concerned, to make possible the building of thousands of miles of good roads by taxing petroleum products, if the taxes become so heavy as to eliminate even the possibility of making a profit on the commodities sold in the expanded market created by those roads.

This is not a matter of selfishness. It goes deeper than that. It reaches down to that fundamental of fundamentals—self-preservation. As I see it, the basic reasons for the existence of the petroleum industry are, first, to render a service to the public, and, second, to make sufficient profit from that service to assure its perpetuation. Roads built upon the wreckage of the American petroleum industry will be unsatisfactory to all concerned.

Another disturbing and serious factor in the gasoline-tax situation is diversion. In most States revenue from a reasonable gasoline tax, plus income from other reasonable motor-vehicle fees and taxes, would finance an extensive and adequate system of highways without taxing anyone other than highway users. However, with both Federal and State Governments using highway funds for other purposes, progress toward an adequate highway system is halted.

During the past 2 years there has been a noticeable advance in the unfortunate tendency on the part of the State governments to reduce or repeal the less costly taxes and place the entire burden upon motor fuel. This policy has had the support of unscrupulous politicians, as was to be expected, and of certain interests which fail or refuse thoroughly to understand the potential evils of taxing gasoline excessively. Reduction of these other taxes provides only a minimum of relief for taxpayers, perpetuates the excessive tax rates imposed upon motor fuel, and aggravates the evil of gasoline-tax evasion.

Still another depressing influence is destructive legislation. During 1933 more than 2,000 bills, inimical to the interests of the petroleum industry, were introduced in Congress and in State legislatures. The industry naturally expects a measure of regulation and restriction, but the industry's burdens are only augmented and its troubles aggravated by unnecessary curtailment, control, regulation, or restriction of its undertakings and quite without benefit to Government, industry, or public. Every session of Congress and of State legislatures produces hundreds of bills which would either increase the difficulty of doing business, reduce the possibility of making a profit, or both. Equally menacing are the attempts of various interests to disrupt or to destroy the industry's markets. The railroads particularly sponsor various proposals having as their objective the restriction of highway users. Their real aim is to impose burdens upon highway transportation and thus destroy what they call competition.

The public has, through the motor vehicle, acquired the means to travel when, where, how, and as it pleases over highways it pays taxes to build. It is highly probable that the public will be inclined to cherish and to protect that right. It is probable also the public will persist in enjoying that right, at least until the day when, by rendering superior service, with greater convenience, less cost, and better accommodations, the railroads shall win the public back to a greater use of their facilities. It would seem that in this case the interests of the public and of the petroleum industry are parallel.

Legislation cloaking attempts of other selfish interests to gain control of, or to invade, this industry's natural markets, still is menacing. Congress and several State legislatures have given serious consideration to the proposal to transfer a large part of this industry's motor-fuel market to the alcohol distillers. Many fail to see the significance of this blended fuel proposal. Legislation of this type would open the gates to a host of similar bills designed to make mandatory the consumption of certain favored products. Trading favors among industries may be good politics, but it is scarcely good government.

Certain State governments also have cast longing eyes upon this industry's markets, apparently in the belief that after they get through collecting taxes bountiful profits still are left. These States actually propose to use tax money paid by this industry as a subsidy with which to go into business as its competitor.

This industry should not accept the burdens which are the duty of others to bear and to share. It should fight for its industrial rights. It should present a united front on matters of unjust taxation.

This industry has the ability, the strength, and the opportunity to be a powerful influence for good government, and for sound government. Under existing sales-tax law Government has gone into partnership with industry and particularly with this industry. This industry can demand that, as a partner, Government observe the rights of all partners, adopt sound business principles, and follow sound business practices.

Therein lies a hope for the future salvation of this industry. Particularly, the field of taxation represents common ground upon which the industry can agree. It can build there a platform big enough for all.

Unless the petroleum industry decides to take such action, it cannot face the future with confidence. If it is disorganized, discouraged, and disinclined to do for itself that which it can depend

upon no other to do, it need expect only further taxation, further restrictions, and further regulations. The choice is, "Shall we tax to sustain or tax to despoil?"

In closing, I wish to mention publicly the excellent work done in presenting the petroleum industry's picture to Congress relative to the proposal to change the depletion and depreciation provisions in the Federal Revenue Act. Although the decision to leave these sections in the law without change has been only in simple justice to those affected, I am frank to say that but for the effective work of the Mid-Continent Oil and Gas Association, under the masterful leadership of Mr. William N. Davis, serious damage would have been done to the petroleum industry through the change of these provisions. Particular commendation is also due Senator T. P. Gore for his statesmanlike presentation of this all-important subject to the Senate.

The American Petroleum Industries Committee and its State organizations fully realize that the problems involved in our work constitute a tremendous task, but I pledge to you our best efforts toward assisting in bringing about the day when this industry will not be subjected to the great amount of unfair taxation and discriminatory legislation now on the statute books. We ask your close and continued cooperation in this important work.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

NATIONAL INDUSTRIAL RECOVERY ACT

Mr. ROBINSON of Arkansas. Mr. President, it appears that the public interest and the public welfare are being obscured by bitter personalities with relation to the proceedings of the National Recovery Administration. Many writers and some speakers have pointed out the fact that the merits of the controversy have been almost overlooked, and the public have not been supplied the information that is essential to a fair determination of the questions that are involved in the so-called "Board of Review report."

Anyone who has heard the speeches of the Senator from North Dakota [Mr. Nye], and who has read the statements of Mr. Darrow and Mr. Johnson, will accord to those three gentlemen first place among persons who are able to employ sarcasm and irony. Such literature usually is read with very great eagerness, and in all probability those who read the speeches of the Senator from North Dakota as well as the statements and counterstatements issued by the Chairman of the Review Board and the Administrator of the National Recovery Act are likely to be forgetful of what is actually involved.

In spite of statements that have been made to the contrary, I maintain with confidence that the credible evidence shows that under the National Recovery Act, while it has been in existence, very substantial and gratifying progress has been made by the business of the Nation toward more normal conditions.

I need not point out to those who do me the honor to listen to me the very distressing and discouraging conditions that existed in almost every sphere of industry when the National Recovery Act was conceived and passed. I know there are some who in good faith think that under the administration of the law conditions have not substantially improved. Let me admit in the beginning that it is not possible to ascribe accurately the proportion of influence that has been exerted by the various factors and statutes which we have come to designate as the new deal or the recovery measures. The point I am making is that, in contradiction of statements to the contrary made here and elsewhere, the country is steadily and surely recovering.

Yesterday there was published in the Washington Evening Star a statement attributed to the president of the Metropolitan Life Insurance Co., Frederick H. Ecker, in which he declared, after having visited almost every section of the United States and made a personal inquiry and investigation, that conditions are greatly improved. To quote a portion of the article:

Brisk and cheerful, the insurance-company executive appeared to be carried along buoyantly on a wave of the upturning tide in business as he recounted the conditions he has observed in the South, the Middle and Northwest. He said the railroads are better, the real-estate situation is better, the former evil state of industry has begun to respond to treatment.

I shall print in the RECORD as a part of my remarks the article from which I have just quoted.

In the Washington Post of April 17, 1934, is contained a declaration under the headline:

Industrial recovery is found advancing along wider front. Survey reveals first quarter's business moved forward vigorously; gains recorded in production, sales, prices, pay rolls, and employment.

I shall also print that article in connection with my remarks. It refers to almost every important form of industry in which our people engage.

On the same date and in the same newspaper was published another statement from the pen of Mr. Giles Findley, an Associated Press report, in which it was declared:

Trucks gaining in shipments of livestock. Twenty-one percent of slaughter animals ride to market on rubber tires.

This statement goes definitely into the figures, and is an illuminating review of the facts relating to the marketing of hogs, cattle, and sheep.

In the Washington Post of May 24, 1934, is another survey reported, the headline being:

Unemployed workers in Nation cut to 7,907,000 during 1 year.

And there is a detailed statement pertaining to the general subject matter which is interesting and believed to be important.

In the Washington Post of April 17, 1934, appeared three articles showing the same general trend of business. The first was under the headline:

Crude-rubber consumption is up in March. Use for month increases 163.8 over requirement in 1933 period.

The second article was headed:

Dollar sales of autos rise 22 percent.

The third was headed:

March cotton exports hit by seasonal cut.

I will print these statements in connection with my remarks.

In the New York Herald Tribune of April 26, 1934, appeared a statement under the following headline:

Westinghouse orders up 57 percent to \$20,237,588 in first quarter. March bookings set mark for 2½ years; 3-month loss cut to \$1,776,152.

I have also a statement which I think my friend the Senator from Iowa [Mr. DICKINSON] will find interesting. It is an Associated Press dispatch under the headline:

SCRIP GOING OUT OF USE IN IOWA—EASIER CONDITIONS LESSEN DEMAND FOR PAPER

DES MOINES, May 5.—Scrip, recognized by State legislation as depression money, is rapidly going out of circulation in Iowa.

Real cash from Federal C.W.A. and P.W.A. sources and improving business indices apparently have lessened desire for the paper certificates.

The little northwest Iowa town of Hawarden, which stirred up an international flurry among economists with its first \$300 scrip issue, has retired all of it at no cost. In Des Moines, county officials have likewise retired most of a \$100,000 scrip issue.

In the New York Times, on the 19th of April, there was published an article on the steel trade, the headline being:

Steel rate at 52 percent best since August. Heavy bookings, with higher prices near, make good outlooks, says Iron Age. Railroads' orders rise. Confusion on quotation results from conflicting views among the producers.

I will print that, as also an article from Youngstown, Ohio, under the headline:

Steel bookings rise. Business in Youngstown area this month 23 percent ahead of 1933.

The Washington Star of April 25, 1934, contained a statement under the caption:

Big gains shown in steel profits. Four companies all report striking increases over totals year ago.

Another article was carried under the Associated Press caption:

Faster pace set at steel plants. Production jumps 4 points to 56 percent of capacity mark.

The Washington Star of April 25 contained a number of articles relating to business conditions generally, advertising

volume, auto production, and daily oil production, and there is at hand a statement published in the Sunday New York Times of April 22 under the caption:

Gains continuing in business lines. Retail trade reported moving according to the season in most cities. Wholesaling good here. Climb in Philadelphia. Pick up in industries, retail sales, and bank clearings. Chicago records gains. Wholesalers report unexpectedly high sales—jobs increase. Cleveland activity rises. Price jump brings wave of steel buying—drug sales increase. St. Louis activity livens. Small industries speed up, shoe plants busy, retail trade brisk. Kansas City buying rises. Retail trade improves and wholesale lines hold well. Atlanta business booms. Department store sales highest since 1930—many lines gain.

There was published in the New York Herald Tribune of April 26, 1934, a statement that the profits of the New York Central Railroad—

Jump in first quarter. Net operating income up to \$8,211,195, against \$3,536,067, with rise in March even sharper. Gains of 14 roads abrupt last month. Earnings show advance of 204.4 percent over 1933; gross only 35 percent higher.

In the New York Herald Tribune of Thursday, April 19, 1934, was a summary in the nature of industrial reports showing that in a large number of industries great improvements have been made in their condition.

Mr. President, I have on my desk a number of other articles and statements similar to those already referred to, but I will not take the time of the Senate to analyze them, asking the liberty of printing them at the end of my remarks as a part thereof.

THE VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(The articles ordered printed on the request of Mr. ROBINSON of Arkansas appear at the end of his remarks.)

Mr. ROBINSON of Arkansas. Mr. President, of course, the question arises as to whether and to what extent the National Recovery Act has contributed to the very gratifying results I have in part described. Senators who hear me realize that many who are engaged in industry believe that the act has contributed very substantially to the improvement of business conditions in the United States.

Much has been said on the floor of the Senate respecting the subject of unfair competition. We all know that in the past the effect of unfair competition on small business units has been disastrous. We realize that practices of the kind described as unfair competition have not operated to the detriment of the powerful units in industry, but in many cases such practices, which have come to be recognized by business men generally as unfair and subversive, have resulted in the destruction of little business.

The suppression of unfair competition constitutes the underlying principle in the Federal Trade Commission Act and in many of the Commission's proceedings. In the Darrow report there is a declaration which shows that the thought in the minds of the authors of the report was very different from that which is usually held to apply in the business of the United States. The report said:

Fair competition is merely a resounding and illusory phrase. All competition is savage, wolfish, and relentless, and can be nothing else. One may as well dream of making war ladylike as of making competition fair.

So the authors of that report repudiate in principle all measures which are based on the suppression or prevention of unfair competition in trade, and I respectfully submit that that statement of itself constitutes a condemnation of any plan which has been recognized in the business of the United States in the years gone by. It looks to the plan which, in the supplemental report signed by Mr. Darrow and Mr. Thompson, contemplates the substitution of Government ownership or of Government sustained monopoly for trade under competition.

I do not believe that the Senators who find themselves unable to approve of the practices of the N.R.A. endorse the fundamental idea underlying the criticism which exists in the Board of Review report, and certainly in the minds of certain members of the Board, including Mr. Darrow and Mr. Thompson.

Mr. COUZENS. Mr. President, would an interruption disturb the Senator?

Mr. ROBINSON of Arkansas. Not at all. I yield to the Senator from Michigan.

Mr. COUZENS. I was wondering when the Senator was discussing the question of fair competition whether he believed that to assure fair competition it is necessary to have prices all alike on the part of all the competing companies?

Mr. ROBINSON of Arkansas. No; I have not thought so.

Mr. COUZENS. That is the point which concerns me. I have been very reticent about criticizing the N.R.A., and I have swallowed a great deal which I would not ordinarily have swallowed, because of the existing conditions; but it does concern me very much when I find that cement bids, furniture bids, and steel bids from all corporations are identical to a cent. That does not constitute my interpretation of fair competition. I wish someone in the administration or elsewhere would explain how that comes about. I wondered if the Senator from Arkansas in discussing fair competition could enlighten us on the subject.

Mr. ROBINSON of Arkansas. Of course, the Senator from Michigan is diverting me from the line of discussion which I intended to pursue, but I will say in reply to him that phase of the subject will be discussed a little later in my remarks.

I wish to add now to what I have already said that it seems to me inevitable that in any permanent system there must be recognition accorded to the natural advantages which exist in communities, there must be recognition accorded to the efficiency of management in production and in distribution. That is an essential part of any system of trade carried on under competition.

Mr. COUZENS. Mr. President, could the Senator tell us if he knows how these prices all come to be alike under the N.R.A. Administration?

Mr. ROBINSON of Arkansas. No; I do not know. I do not assume that all prices are alike, but such similarity as exists is probably due to the provision in the law that permits combinations. That would be my first and unstudied thought on the subject.

Mr. SHIPSTEAD. Mr. President, I do not want to interrupt the Senator from Arkansas, but, if he will permit, I could help explain that situation, because I have had an explanation of it from the code authorities in one of the industries.

Mr. ROBINSON of Arkansas. I will yield to the Senator from Minnesota for that purpose.

Mr. SHIPSTEAD. In the paper industry, for instance, we had this experience: In response to advertising on behalf of the Joint Committee on Printing for approximately \$1,000,000 worth of paper there were 47 bidders. Ninety percent of the bids were identical. The prices were from 10 to 40 percent higher than they were in 1929. We asked the bidders how it happened that so many of these bids were identical. They said that under the code every bidder must publish his bid at least 5 days before the bids are opened. Having published the bids, another bidder is then permitted to adjust his bid to meet the bids which have been published. That is under the so-called "open price-fixing provision" of the various codes. That was the explanation we got for the identical bids which we received.

Mr. ROBINSON of Arkansas. Mr. President, I thank the Senator from Minnesota for his contribution.

The general press opinion respecting the so-called "Darrow report" is, in my judgment, that the report has contributed little or nothing of helpfulness to the country or to the National Recovery Administration.

I desire to proceed now for a few minutes to discuss the question raised primarily by the remarks of the Senator from North Dakota [Mr. Nye], and which is also an important feature of the Darrow report. The outstanding declaration in the report and in the speeches of the Senator from North Dakota is that the N.R.A. fosters monopoly and oppresses the little man in business. If that statement is supported by the record, it demonstrates the necessity of changes in the method of administration. But, Mr. Presi-

dent, I do not believe that anyone who studies the record will reach the conclusion that the general effect of the N.R.A. administration has been to foster monopoly or that it has been to subvert the interests of the little man in business or to destroy him, and I propose to produce evidence in substantiation of my statement.

In the first place the Federal Trade Commission, studying the subject, as I understand, particularly with reference to the lumber industry, found that the effect of the N.R.A. administration on the whole had been to assist little business in the lumber industry, rather than to oppress or to destroy it. This contention of the Senator from North Dakota and of the Darrow Board is in conflict with the views of the people who themselves are engaged in the small industries.

Undeniably, there have been cases of hardship; there have been and there will be instances in which so-called "small-business men" will suffer. It was not possible, Mr. President, to stamp out that ruinous phase of American business called the "sweatshop" without injuring some small businesses, and it has not been possible to raise wages and shorten hours without increasing the cost of production to both small business men and big business men. If there is anyone who can find a way in which to give the benefits presumed to grow out of the National Recovery Act without imposing the charges and the disadvantages that inhere in the policy of the act, I have been unable to contact him.

Necessarily, when hours are reduced from 10 to 8 or to 7, and when wages are raised, there is imposed on all industry an increase in cost, and it makes necessary an increase in prices. That is the fundamental principle of the National Recovery Act.

In thousands of places which we have come to know as sweatshops there were, when this act went into effect, women and children who were toiling by night and by day, working arduously for a compensation which was inadequate to provide them with the necessities of life; and it took courage in the lawmaker, and it takes courage in the Administrator, to drive out of business those who prosper by the blood and unhappiness of helpless women and children. If we are not willing to pay the price that natural laws impose for such a reform, then we had as well abandon all effort to promote recovery through national legislation.

The Senator from North Dakota yesterday in his forceful address credited the National Recovery Administration with the abolishment and the destruction of the sweatshop and with the abolishment of child labor. I respectfully submit that if there is nothing else on the credit side of the account these two achievements would of themselves be sufficient to justify the administration of the act.

I said a moment ago that those engaged in little industry approved the act and approved its administration. When the storm of wrath and vituperation broke a few days ago, and big men were calling one another little names [laughter], hundreds and hundreds of telegrams were sent in to the Administrator by small men in industry.

While I think of it let me refer to a particular case. Senators have all heard about the New Jersey man who was engaged in the dyeing and cleaning business and who was sent to jail for the infraction of a code. I never knew until I investigated the matter and ascertained the facts how unjustly that incident has been used. Senators have heard it repeated here as an illustration of the callousness of General Johnson and his subordinates, as an illustration of the absurdity of the policy underlying this statute and the method by which it is enforced, that a small business man over in New Jersey by the name of Maged was arrested and thrown into jail because he had violated a code. But you were not told what you ought to have been told and which honesty would prompt anyone to tell, that the action was not taken under the National Recovery Administration; it was taken strictly under a State law, and the National Recovery Administration had neither approved nor acquiesced in the regulation referred to.

Mr. LONG. Mr. President—

The PRESIDING OFFICER (Mr. OVERTON in the chair). Does the Senator from Arkansas yield to the Senator from Louisiana?

Mr. ROBINSON of Arkansas. I yield.

Mr. LONG. I understood some time ago that General Johnson called the Governors here and asked them to have State laws passed to carry into effect the N.R.A. I was wondering if this was not pursuant to that kind of a movement.

Mr. ROBINSON of Arkansas. I do not know, of course, what General Johnson said to the Governors, any more than I know what he has said to the Senator from Louisiana; but the point I am making is that this case occurred under a New Jersey statute; it was purely an act of the State of New Jersey, and that the rules and regulations under which it occurred had never been approved by the National Recovery Administration. I think that those who sit in the press gallery, who have carried the story that a tailor was arrested and thrown into jail for violating a national code, should correct the story and make it plain, as I have stated here, that that action was not taken under the National Recovery Act or under the national authority, but was entirely under State authority.

Mr. LONG. Mr. President, I do not want to interrupt the Senator, but if he will permit me to say so, I now remember that this was a matter given considerable publicity in the newspapers. General Johnson asked the States act, in order that they might place offenders in jail in cases where he could not do so under interstate authority, to adopt similar statutes; and I understood that the New Jersey statute was a provision along that line.

Mr. ROBINSON of Arkansas. Mr. President, General Johnson advises me in writing that the National Recovery Administration was entirely ignorant of the case until after the prosecution had taken place, and was not in sympathy with the prosecution, but, on the contrary, distinctly disapproved it.

Among the messages to which I have already referred are some telegrams addressed to General Johnson, which I am going to ask to have inserted in the RECORD. I have had copies made from the telegrams themselves. They are, without exception, from the heads of small industries, and express indignation at the course taken by the Review Board, affirming allegiance to the codes under which they are operating their respective businesses.

I do not feel justified in taking the time of the Senate to read them all, but will read one or two by way of illustration. I read one from Wauwatosa, Wis., as follows:

WAUWATOSA, WIS., May 23, 1934.

HUGH S. JOHNSON,
National Recovery Administrator, Washington, D.C.:

Drug code has already helped little fellow tremendously here. Saved 50 percent from bankruptcy. Independents backing you up 100 percent. Business greatly improved.

CURLEYS PHARMACY.

Another, from Washington, D.C., I read as follows:

WASHINGTON, D.C., May 22, 1934.

Gen. HUGH S. JOHNSON,
National Recovery Administration, Washington, D.C.:

We are back of you 100 percent as a concern under one of the smallest adopted codes. We are glad to go on record as stating our business is showing a very satisfactory improvement over a year ago and wish you every success in your encounter with Darrow.

WASHINGTON TENT & AWNING CO., INC.

I read the following telegram from Kansas City, Mo.:

KANSAS CITY, MO., May 22, 1934.

Gen. HUGH S. JOHNSON,
National Relief Administration, Washington, D.C.:

As member of flour-milling code committee I wish to congratulate you on your recent statements answering N.R.A. and code critics. The proposed millers' code is almost unanimously endorsed by small units of the industry, while the large units are all opposed for purely selfish reasons.

GEORGE E. HINCKE.

I ask that the remaining telegrams, along with excerpts from some letters of similar import, may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The telegrams and excerpts are as follows:)

LOS ANGELES, CALIF., May 22, 1934.

Gen. HUGH S. JOHNSON,
National Recovery Administration, Washington, D.C.:

It is extremely regrettable that any man intrusted by the President with an important mission should, especially at this time, use this high trust and the public moneys to air his personal grievances against you and his well-known preconceived opposition to the recovery program. Why not ask a vote of us small business men who are working under codes as to whether or not we want to go back to the old system instead of taking so seriously the report of this publicity seeking lawyer who has appointed himself our champion? Ask us and get the majority views instead of the notorious 10 percent who have evidently cunningly hoodwinked him.

A. L. BOBRICK,
President Bobrick Manufacturing Corporation.

NEW YORK, N.Y., May 23, 1934.

Gen. HUGH S. JOHNSON,
National Recovery Administration:

Mr. Darrow's view of the hole in the doughnut is wonderful. He is reputed to be a great criminal lawyer but maybe the case was not as bad as that.

A. S. BROWN, Jr.,
President Bronsletters, Inc.

HOUSTON, TEX., May 21, 1934.

Gen. HUGH S. JOHNSON,
National Recovery Administrator, Washington, D.C.:

Congratulations on your public statement on the Clarence Darrow Review Board report. You and the President are the outstanding patriots of the day. You have a hard job and the people have faith in and sympathy for you.

J. L. BLOCK.

KNOXVILLE, TENN., May 22, 1934.

Gen. HUGH S. JOHNSON,
National Recovery Administrator,
Washington, D.C.:

We have just noticed report of Darrow committee investigating National Recovery Act. We recognize your extreme responsibility in administration of the National Recovery Act. We realize its departure from conventional business methods, and after 4 months' experience as executive committee for code enforcement of retail automobile dealers code wish to express our confidence in your judgment and our appreciation of your untiring efforts in establishing and enforcing what we believe to be timely relief for chaotic conditions in our industry.

CHARLES BRAKEBILL,
Commissioner for the Executive Committee of
the Knoxville Automotive Trade Association.

JACKSONVILLE, FLA., May 21, 1934.

Gen. HUGH S. JOHNSON,
Washington, D.C.:

Stand firm in back of N.R.A. as its principles are sound if carried out. It is the only friend the small business man has if chiseling can be stopped. Its greatest faults, as I see it, is lack of sharp teeth and compliance and I feel sure you are striving to accomplish those things. Any person who says N.R.A. is a foe to the small business man I suggest he drop down and see some small business heads and get their idea of it.

L. J. FITZPATRICK.

WAYNE, NEBR., May 21, 1934.

Gen. HUGH S. JOHNSON,
Washington, D.C.:

Kick Darrow out; only 6 months more under his cutthroat competition price system all small and many large business enterprises would now have their doors closed, and the crepe of financial death written thereon. National Recovery Act and price fixing brought salvation; it must remain.

Yours truly,

R. H. JACQUES.

WASHINGTON, D.C., May 22, 1934.

Gen. HUGH S. JOHNSON,
National Recovery Administration,
Washington, D.C.:

After reading Clarence Darrow's criticism of the N.R.A., pointing out the many injustices that he claims exist in the codes for the small business man, we are wiring you to inform you that our business today is far better than it was a year ago. As a member of the canvas-goods industry, which is one of the smallest, we respectfully request that our code remain in effect by all means.

JOHN F. MORRISON AWNING CO.

CHATTANOOGA, TENN., May 21, 1934.

Gen. HUGH JOHNSON, N.R.A. Administrator:

The Associated Master Plumbers of Tennessee in convention assembled thank and commend you for your untiring efforts and

work for the benefit of our membership and the people of the United States.

ASSOCIATED MASTER PLUMBERS OF TENNESSEE,
By J. L. PEEBLES, State Secretary.

WASHINGTON, D.C., May 22, 1934.

Gen. HUGH S. JOHNSON,
N.R.A., Commerce Building:

In spite of Mr. Clarence Darrow's criticism, directed at the injustice of the N.R.A. to small industries, we find our business much better this year than last year. We want the code for the canvas-goods industry which is one of the smaller groups to stay in effect by all means.

WM. C. BROOKS AWNING SHOP.

BOSTON, MASS., May 22, 1934.

Gen. HUGH JOHNSON,
National Recovery Administration:

Am in full sympathy with your stated position with respect to Review Board, believe original purpose of Board, if carried out, would have resulted in constructive action, but selection of personnel was unfortunate. Have sympathetic understanding of your colossal undertaking under great difficulties, and pledge cooperation in everything that I can conscientiously support. Will be glad to offer constructive criticisms, with a desire to be helpful, but do not relish being labeled as a heaver of dead cats when criticism is given in good faith.

SUMNER C. REYNOLDS,
President American Dental Trade Association.

NEW YORK, N.Y., May 22, 1934.

Gen. HUGH S. JOHNSON,
Administrator National Recovery Administration,

Washington, D.C.:

The steel casting industry, comprised of 179 units, normally doing a business of \$200,000,000 per year, challenges Mr. Darrow to take poll of this industry as to whether the code of the steel casting industry has been oppressive to the small fellow. It will furnish a complete roster of the entire industry and will pay the expenses of a telegraphic answer to any questionnaire that he may be disposed to frame. We support you 100 percent in a showdown of his accusations.

Col. MERRILL G. BAKER,
Executive Vice President Steel Founders Society of America.

PITTSBURGH, PA., May 22, 1934.

Gen. HUGH S. JOHNSON,
N.R.A. Administrator:

The members of the code authority of western Pennsylvania subdivision express their sincere appreciation of your prompt and convincing reply to the unjustified conclusions contained in the report of the Darrow committee. We pledge ourselves to continued whole-hearted support of the policies of the President and of the National Recovery Administration and your efforts to accomplish stabilization of our industry.

J. D. A. MORROW,
Chairman Code Authority of Western
Pennsylvania Subdivision No. 1.

EXCERPTS FROM LETTERS RECEIVED BY GENERAL JOHNSON IN REGARD TO
THE DARROW REPORT

From Mr. J. H. Clements, of the Clements Co., Greensburg, Pa., May 21, 1934:

"We are writing in reference to the Darrow report upon the N.R.A. We heartily approve, on the whole, of code regulation of our business. . . ."

"Before the code any business man could be forced to the wall by any competitor who possessed double his capital. We do not see how intelligent price fixing can harm the consumer in any way. . . ."

From Mr. A. L. Alexander, with the Marus Marble & Tile Co., Memphis, Tenn.:

"Read excerpts from Mr. Clarence Darrow's review board. They apparently have no practical apprehension of the business conditions which existed prior to the effectiveness of the N.R.A. and codes of fair competition therefrom. The standards of living justly due the American people cannot be maintained with the sweatshops, with the exploiter, and the chiseler if allowed to wield their unfair methods in operating their business. There is no additional experiment needed. A large percentage of the workmen and their families were reduced to practical starvation in a nation having a surplus of necessities. The condition was enormously unbalanced. It would seem that the members of the Review Board had not lived in the United States for the past 4 years, as they appear very ignorant of the true facts which the American people and American business have faced and experienced during the last few years. I am for the N.R.A., the codes of fair competition, and there are 'a hundred million others like me'."

From Mr. J. E. Stocker, manager of the Myrtle Theater, Detroit, Mich., May 21, 1934: "Having been an independent exhibitor for over 20 years I am somewhat in a position to judge the pros and cons of the motion-picture code. Having read Darrow's criticism of this code, my reply to that criticism is that it is greatly misleading to the average citizen who is not familiar with the general

problems of production and exhibition of motion pictures. While the code is not perfect, I would rather operate the Myrtle Theater under the code provisions than without it. The handicaps of the independent exhibitor that Darrow's report enumerates existed before the code was enacted only to a far greater extent. I could write in great detail about the problems of the industry—the problems of the smaller independent exhibitor like myself—what I had to contend against before the code and what we have to contend against today. Suffice to say, my investment is more safeguarded today with the provisions of the code than before the code. The code is not perfect, but without the N.R.A. code conditions would be far worse, and I have no doubt but that serious faults in the motion-picture code will be corrected as well as those in other codes. I dread to think what would happen to industry as a whole if N.R.A. rules are entirely done away with and the chaos that would result with unregulated cutthroat competition. Wishing you success in your work of recovery."

From Mr. Harry R. Marlowe, Warren, Ohio, May 21, 1934: "I commend the reply to the Darrow report. I know the standpoint of Darrow, and it is not of practical use at the present time. Keep the good work of the N.R.A. going, you have the worthwhile people with you. I would urge that consumers' interest be supported by a more active organization, but keep the good work going."

Mr. ROBINSON of Arkansas. Now, Mr. President, I wish to recur to the question of the effect of the N.R.A. on little business. I have already pointed out that some little businesses have been put out of existence, such as sweatshops and those which depend for their prosperity or success on the employment of child or woman labor, particularly at excessive hours. Undoubtedly there are other cases where the economic conditions are such that it has been found impracticable to reduce hours and raise wages without imposing a hardship on certain small businesses. That, as I said or implied, is inevitable if you accept the policy of improving living conditions among laborers by reducing hours and raising wages. There are some businesses which barely existed, under conditions permitting them to pay unreasonably small wages and permitting them to work their labor at unreasonably long hours; but if you are in sympathy with the policy of reducing the hours of labor, if you believe in the policy of paying a living wage, there is no way known to the human mind to avoid those results in some instances.

With respect to the subject of monopoly also, both the antitrust acts and the National Industrial Recovery Act forbid monopolies. The National Industrial Recovery Act forbids monopolistic tendencies. The antitrust acts forbid combinations in restraint of trade, while the National Industrial Recovery Act authorizes combinations. The stated policy of the National Industrial Recovery Act is—I quote from the act:

Promoting the organization of industry for the purpose of cooperative action among trade groups . . . under adequate governmental sanction and supervision.

This is to be accomplished by codes of fair competition.

The Darrow report says there is no such thing as fair competition; that all competition is unfair and destructive; and if you recognize that as true, if you support that assertion and conclusion, it is, of course, impossible under this or any other act based on an analogous principle to revive or revitalize industry.

There is a provision in the National Industrial Recovery Act that any action complying with the provisions of the code shall be exempt from the provisions of the antitrust laws of the United States. That was the subject matter of much discussion while the bill was pending in the Senate, and I think also while it was under consideration in the House of Representatives. The question was raised then as to what would be the effect of the incorporation of such a provision in the law, plainly modifying the antitrust statutes and permitting combinations for the suppression of unfair competition, and for the promotion of fair competition; and it was decided by the legislative body, after prolonged consideration, that, if units in industry were to be permitted to combine for the purpose of preventing unfair competition, it would be unfair and ineffective to hold them liable under the antitrust laws for so doing.

Monopolies are forbidden under both the antitrust laws and under the National Industrial Recovery Act. Restraints of trade by codes approved by the President are permitted so long as they do not have monopolistic tendencies. A

monopoly, as all Senators understand, is an exclusive right or privilege of engaging in particular business or traffic.

Therefore, any act or combination under a code which does not tend to an exclusive right to engage in a particular traffic, when approved by the President, is lawful under the National Industrial Recovery Act. It is to be seen, therefore, that the difference between the National Industrial Recovery Act and the antitrust laws is that while both prohibit monopoly, the National Industrial Recovery Act amends the antitrust acts to permit combinations approved by the President.

To allege monopolistic tendency in a code it is not enough to show that the code authority does not include representatives of all groups or that it provides for price stabilization to prevent cutthroat competition. It must also be shown that such provisions as price control tend to create an exclusive privilege of engaging in a particular traffic. Price control in combination which tends to keep prices up does not tend to wipe out competitors. It tends to sustain them. It is price control in combination which tends to cut down prices that is monopolistic, for the manifest reason that the little operator is at a disadvantage in competing with the large operator.

I recall that some years ago one of the great oil companies, in a desire to assert its monopoly or to acquire a monopoly in a certain territory, reduced the prices of its products so low that the small operators could not compete with them and were compelled to go out of business. Then, of course, when that had been accomplished, the prices of oils went even higher than they had been before. So it is cutthroat competition which creates monopoly. There can be no monopoly under the N.I.R.A. unless it is favored by law as under the copyright and patent laws of the United States.

There is not one complaint before the Review Board or before the N.R.A. that the codes tend to put prices down nor an attempt to show that the effort is to create a condition favorable to monopoly through the reduction of prices. On the contrary the intention is, and it is well supported, that the tendency is to raise prices. Therefore, price stabilization cannot be an instrumentality of monopoly.

Price stabilization, whatever mistakes of judgment may have been made, has saved thousands of little fellows under the N.R.A. Every complaint that N.R.A. fosters monopoly through price stabilization is ill-taken. The price provisions are not objectionable as monopolistic. They may be objectionable from the standpoint of the consumer on grounds of policy but not of statute.

Price stabilization may be productive of hardship to the consumer, but it cannot promote monopoly. The way the great business units obtain their monopolies is by a directly reverse process, by adopting a plan and pursuing a policy behind which they move all their vast resources—resources which are not available to the small man and against which he has no power of resistance whatsoever.

Therefore, the price provisions in the N.R.A. codes are objectionable only to the consumer. It is the consumer, and not the small business man, who is interested in low prices. Sales below cost immediately or eventually produce two certain results, to lower the wages and living standards of labor and to destroy small enterprise. The National Recovery Act requires N.R.A. to protect living standards of labor and to conserve small enterprises. The task of N.R.A. is to strike a balance between the interests of the consumer on the one hand and the wages of labor and small business on the other. It must aim for a price structure high enough to maintain small enterprise and labor wages, and yet low enough to protect the consumer against extortion.

The Senator from North Dakota [Mr. NYE], in an article published in the June issue of *Current History*, presented his views under the heading *Squeezing the Consumer*. I have already shown that complaints as to raising prices lie in the mouth of the consumer and not in the mouth of the little business men in industry. But while the Senator from North Dakota has so much to say about "squeezing

the consumer", on the other hand, and inconsistently, I believe, he champions the little fellow in business against the N.R.A., as if the action of the N.R.A., in raising prices to meet the increased cost of labor, the increased cost of materials, and to reduce hours of labor, did not have the inevitable effect of promoting his interests rather than destroying or thwarting them. He cannot be right about both. He must choose. Either he must want cutthroat competition, which will destroy the little fellow, but temporarily help the consumer, or he must want stabilized prices, which will cause the consumer to pay more, but which will save the little fellow. The Senator from North Dakota cannot with consistency take both sides of the argument.

There is another choice which must be made. N.R.A., as I have already said, and as the Senator from North Dakota said, has abolished the sweatshop, child labor, and intolerable wages and hours in various economic areas. Furthermore, wages in all industries and trades have been raised. These wage raises have made it cost the little fellow—and incidentally the big fellow also—more to do business. In fact, higher wages constitute between 75 and 90 percent of the little-fellow complaints. They have never mentioned this fact, the only real fact underlying the whole trouble.

For what particular little fellow are those who denounce the N.R.A. working? Are they interested in women and children in sweatshops, laborers working 12 hours a day for 5 cents an hour, or do they speak for the small operators who claim they can stay in business only if those disgraceful conditions continue? They cannot with consistency take both sides of the argument. They cannot blow hot and cold on the proposition.

If we are to elevate the standard of living among laborers in whatever sphere they may toil, we must accomplish that purpose by raising their wages and shortening their hours of labor. If we accept that policy, if we want to place the laboring man permanently upon a plane where he may live and move and have his being in comfort and hope, it must be paid for. It cannot be done by the mere adoption of resolutions or by the mere declaration of good intentions. If we raise wages and shorten hours, we must also raise prices in order to obviate the necessity of industry's operating at a complete loss.

Did you know that in spite of all that has been said to the contrary, 90 percent of the code provisions are designed for the protection of small enterprise?

The lumber code is charged with hurting the little fellow. There are cases where sawmills were found so unprofitable in operation that to raise the wages or to shorten the hours of their workers meant closing down; but instead of hurting the small sawmill business the general effect of the N.R.A. administration has been to improve it. That statement is evidenced by the fact that in July 1933 there were 13,636 sawmills in operation in the United States. In March 1934 there were 15,170, an increase of 1,534 in that short period. There are now pending requests for allocation for 2,200 additional mills.

The bituminous coal code revised and stabilized prices. It had to if labor's wages and hours were to be improved. Before the coal code, most mines were selling at a loss. This drove out thousands of small mines, and threatened thousands more. Since the code, 4,330 small mines reporting to the N.R.A., and probably many thousands more, have resumed operations; and, of course, thousands of small operators of coal mines were saved.

The entire structure of the retail tire business was threatened by combinations between several gigantic corporations, resulting in such ruthless price cutting that these little fellows were being slaughtered at the astonishing rate of 10,000 a year. N.R.A. entered the situation, requiring first a truce on these truly monopolistic price cutters and then a code to stabilize wholesale prices at a level high enough to save the little fellow. Before the truce, the National Recovery Administration was receiving thousands of telegrams complaining of the slaughter of little fellows. Since the truce and the code, this complaint has disappeared.

Before the motion-picture code, small exhibitors were helpless. The code set up grievance boards with very broad powers. The evils of block booking are not due to the code. They are due to the copyright laws. The National Recovery Administration, however, obtained 25-percent relief of the rigors of block-booking contracts. The National Recovery Administration could not change the law, but through its intervention 25-percent relief was secured from the rigors of that system.

The National Recovery Administration has been blamed for the results of patent laws and copyright laws. It has been appealed to to take away from the patentee or the holder of a copyright his benefits under authority of national statutes. Quite manifestly, that was an impossibility, and it is unjust to criticize the National Recovery Administration in that way.

H. A. Cole, president of the Allied Theater Owners of Texas, at first complained of the code to the Darrow board. When he saw the operation of the local grievance board, he sent a circular to his association, saying, among other things:

Here is the first piece of really good news the independent exhibitor has heard in many years. * * * Frels was forced to close his theater—

Before the code. After the code, he appealed to the grievance board and got a favorable decision.

Do you know what this means to you? If that principle is accepted in this business, it means that you can go home and sleep at night without the nightmare that a chain can come into your town and take it away from you. * * * This is the first ray of sunshine in the years of the battles of independents.

There is not one single complaint of an independent or small picture exhibitor closed on account of the code, while thousands telegraph and write to N.R.A. that it has saved them.

Every well-informed person knows the mortality in small retail establishment due to chain- and mass-distributing operations. The retail code has practically averted this economic slaughter of the little fellows by eliminating "loss leaders" and preventing cutthroat competition by powerful competitors. It has saved thousands of small bookshops by provisions preventing large stores and chain drug stores from selling books practically at cost. It has saved small independent druggists all over the country by preventing wholesale sales to big fellows at less than the wholesale list price in dozen lots.

So certain were the little fellows in trade that the retail code was their salvation that over 85 percent of the small retail stores of the country have voluntarily gone under the code and sought its protection. As a matter of fact, the sole purpose of this vast code was to protect small enterprises in their field against a force that had almost destroyed them.

It has been said that there are too many codes. Probably that is true; but I point out the fact that in many instances, if not in most instances, the codes for small business were devised and formulated at the request of the men engaged in the business, in the belief that the codes would result in their protection, and they express themselves as pleased and gratified. Indeed, the man to whom I referred a while ago as having been sent to jail under a State law for violation of some provision of a code wired to General Johnson expressing his entire satisfaction with the operation of the national code. He said:

JERSEY CITY, N.J., May 14, 1934.

Gen. HUGH JOHNSON:

I am Jacob Maged, the tailor who was sentenced to imprisonment for violating the cleaners and dyers' code. I am heartily in favor of the code. It is protecting me in my business from price cutting, and I know that without it our living would be seriously hurt. The code must be maintained.

JACOB MAGED,

138 Vesey Street, Jersey City, N.J.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. LONG. I understood that that tailor, upon being sentenced to jail, was released after serving about 12 hours

of the sentence, and that he signed the statement that he was happy to approve the N.R.A.

Mr. ROBINSON of Arkansas. Oh, no, Mr. President!

Mr. LONG. That is my understanding.

Mr. ROBINSON of Arkansas. That, in my judgment, is an unjust and an unfair insinuation.

Mr. LONG. I read that very reliably.

Mr. ROBINSON of Arkansas. Very well. The Senator may read what he chooses; but this telegram was voluntarily sent by Mr. Maged to General Johnson under date of May 14. The incident to which he refers happened many weeks ago.

Mr. LONG. Mr. President—

Mr. ROBINSON of Arkansas. I must decline to yield if the Senator is going to continue along that line.

Mr. LONG. Will the Senator allow me one further statement?

Mr. ROBINSON of Arkansas. Yes.

Mr. LONG. There will be found a parallel to this in the book by Victor Hugo called "Ninety-three."

Mr. ROBINSON of Arkansas. Mr. President, I do not think that reference by the Senator from Louisiana has either pertinence or intelligence in it. [Laughter.]

Mr. President, in view of what has been submitted here this morning I do not believe the attack on the N.R.A. on the ground that it is destructive of little business can be justified. I do not believe it can be justified on the ground that the N.R.A. has tended toward the promotion of monopoly. The textile code literally snatched a moribund industry from destruction. Hundreds of small mills, shut tight before the code, have opened, and thousands more have been rescued from destruction. One could continue this list almost indefinitely. If it were so continued, the same conclusion could be reached.

I must put on the spot, so to speak, those who stand in opposition to the National Recovery Act on the theory that it promotes monopoly by causing increases in prices, and thus subverts the interest of the small men. I think it has been shown that the object of price raising has been to meet the increased cost incident to rises in labor wages and in the shortening of the hours of labor. If we are to proceed with national recovery, we must continue to administer this law solely with regard to the best interests of the public, with regard to the general welfare, and we must be charitable and recognize the fact that the task is a very difficult one, one which involves the reversal of long-established customs and precedents and the adoption of new methods and processes.

I thank the Senate for the attention it has given me.

I ask leave to have printed in the RECORD the various newspaper items and other matter to which I have referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBINSON of Arkansas. Mr. President, I had intended to incorporate in the RECORD, among other papers, a very important statement reported in the press this morning as issued by Mr. William Green and others of the National Labor Advisory Board, expressing the opinion that the Darrow report does great injustice to the National Recovery Administration and to the Administrator, and asserting that the law is being administered in the interest and for the benefit of labor as well as for the public generally. I ask to have that printed in the RECORD also.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The articles and statements ordered, on request of Mr. ROBINSON of Arkansas, to be printed in the RECORD are as follows:)

[From the Washington Post of Thursday, May 24, 1934]

LABOR CHIEFS CONDEMN DARROW BOARD REPORT AS BLOW TO RECOVERY—CONDEMN CRITICISM OF N.R.A., ASK BOARD BE ABOLISHED—ATTACK ON JOHNSON IS RESUMED BY NYE—WAGNER SAYS FINDINGS SHOULD PROVE AID TO PROGRAM

By Raymond Clapper

N.R.A. staged its counterattack in the Darrow Board controversy yesterday, interrupted only by a brief cocktail-hour armistice while the two colorful principles, Gen. Hugh S. Johnson and Clarence Darrow, went for an automobile ride together.

N.R.A.'s Labor Advisory Board, including President William Green, of the American Federation of Labor; John L. Lewis, president of the United Mine Workers; and other headliners of the labor world, unanimously voted condemnation of the Darrow Board and urged the President to terminate its "unhappy existence" at once.

Senator ROBERT F. WAGNER (Democrat), New York, who introduced the National Recovery Act in Congress just about a year ago, in a Senate speech said some criticisms of N.R.A. were well founded, but insisted that the Recovery Administration should be allowed to profit by them and not be abolished in view of the great good it had done.

CONFER WITH ROOSEVELT

Leon Henderson, Chief of the Division of Research and Planning of N.R.A., came to his chief's defense in a statement denying General Johnson had ignored his recommendations and sought to abolish his division, as charged by Senator GERALD P. NYE (Republican), North Dakota.

General Johnson and Donald R. Richberg, N.R.A. counsel, conferred with President Roosevelt regarding revision of the steel code and new plans for handling the troublesome service codes and small industries. No decisions were reached, Johnson said.

President Roosevelt refused to mix into the Darrow controversy, declaring—in a Latin phrase, *res ipsa loquitur*—that the Darrow report spoke for itself. He said his latest information from Darrow was that the Board would finish its work by the end of the month.

Senator NYE renewed his attack on N.R.A. and General Johnson, declaring a complete shake-up was imperative and urging that Congress refuse to go home until it was accomplished.

Richberg, in a radio speech, suggested a little more humility "to political critics who assume to solve these problems after a few days of second-hand investigation."

The Darrow Board, in its hearing of complaints from the garment industries, broke into a bitter internal row and recessed while members calmed down in private.

In view of Darrow's long record as a champion of labor, the sharp denunciation of his work by the N.R.A. Labor Advisory Board came as a surprise. The labor leaders were even more denunciatory of the Board than General Johnson and Donald Richberg have been.

In the resolutions, the labor leaders represented on the Advisory Board said it was especially unfortunate that the Darrow Board had reached its conclusions without consulting representatives of labor and without thought of the consequences to millions of workers in coded industries.

INFORMERS CRITICIZED

"Obviously", the resolutions continued, "the Darrow Board has secured its information regarding specific codes from the rag-tag and bobtail elements of industry. Irresponsible malcontents, sweatshop employers, and business interests which had lost special privileges found the latchstring out and a warm welcome awaiting them before the National Review Board."

"Representatives of the organized workers were not invited to the Darrow feast, and approved codes of fair competition were savagely attacked without any member of the Darrow Board stopping to inquire from any authoritative source the effect of such attacks upon the economic well-being of the Nation's wage-earners."

The resolutions said that the Board sought to glorify the small business man and the consumer both, whereas their interests were in conflict, one wanting high prices and the other low prices.

"The Darrow Board should decide which of these groups it elects to serve", the resolution continued. "Certainly it cannot ride horses going in opposite directions."

URGE END OF BOARD

"The Darrow Board has rendered a disservice to the Nation and its citizens in a time of great economic stress. It has pandered to the worst elements in our political and economic life. If its members are not conscious of these facts, they are victims of arch stupidity and have forfeited their right to continue to function as a Government agency."

The resolution added "unhesitatingly" that the Board should have its "unhappy existence promptly terminated by Executive order of the President."

As the man who sponsored the Recovery Act, Senator WAGNER sought to step in between the belligerents to halt the brawl-like exchange of sarcastic personalities and to lift the discussion back to the plane of calm reason.

"The new deal", he said in a Senate speech answering criticisms of N.R.A., "has accomplished too much to fear destruction by its enemies. It can only suffer if its friends clothe it in perfection and scorn the advocates of improvement."

SAYS PROGRAM IS SOUND

"I do not mean to deny that some prices are too high today. Nor do I deny that there are some industries which are engaged in price-fixing to the detriment of the public welfare. But despite this, the general tendency is favorable, the underlying method of approach of the recovery program is sound, and the need today is to make that program even more effective and to prevent its instrumentalities of control from falling into the hands of selfish groups."

"It is true, and many able Senators and Mr. Darrow's Board have rendered a great service by bringing it to light, that the

small man still suffers from many of the monopolistic tyrannies that have persisted for half a century.

"How may these evils be remedied? Certainly not by repealing the sections of the Recovery Act which modify the antitrust laws, for all of these evils existed when those laws were in full force. It is not the code idea that promotes monopoly."

Senator WAGNER said that sections of the Darrow report recognizing that there could be no return to unregulated competition might have been plucked from the plea he made for enactment of the Recovery Act a year ago.

PRAISES JOHNSON

"The immediate problem before us", the Senator added, "is to prevent the production-control devices of the new deal from being turned into an old-deal instrument for the profit of the few and the denial of the many. It is at this crucial stage that forceful and careful and patriotic criticism such as has been forthcoming during the past few months is necessary."

"General Johnson and the men under him have faced a superhuman task with superhuman efforts, with vision, fairness, and courage. They deserve the highest tribute."

"The able critics of the recovery program have said that it is fatally defective, because it is advised by the very leaders who brought about disaster in 1929. I do not believe that our troubles were brought on solely by improper leadership; many of them were caused by an outworn economic system. The same men, when given an opportunity to cooperate and to receive the advice of government, may achieve far better results. Nevertheless, there is a good deal of force in this thoughtful criticism."

CITES BUSINESS GAINS

Senator WAGNER said the employment index is 37 percent higher than a year ago. Hours of labor have been reduced 16 percent. The factory pay-roll index has gained 73 percent in a year and is the highest in 3 years, he said. Basic industrial output, by the index, is up 34 percent above a year ago.

"The back of the depression is broken", he said, adding that some who see their own scalps saved want to return to the old regime.

The purchasing power of wage-earners, Senator WAGNER said, has risen 23 percent in a year. In April, he added, only 2 out of 90 manufacturing industries failed to show gains in employment, and all showed pay-roll gains. These figures, he said, covered industries many of which are mostly composed of small units.

MONOPOLISTIC TENDENCIES

Senator NYE spoke before WAGNER, concluding his attack on N.R.A. begun Tuesday, and renewing his theme that the small business man was being injured by monopolistic tendencies in N.R.A. He insisted that a complete shake-up in N.R.A. was essential.

"It seems to me an obligation upon us as a Congress to decline to leave until assured these infamous abuses will be eliminated", Senator NYE said.

Again, he dealt roughly with General Johnson, whom he accused of being so intolerant of criticism and supervision that he would like to be rid of not only the Darrow Board but some of his own insurgent divisions and the Consumers' Advisory Board. NYE said he believed Johnson also would like to hasten the departure of President Roosevelt for Hawaii.

"What a delightful opportunity then would exist for General Johnson, Mr. Richberg, and their associates within N.R.A. to demonstrate what 'cracking down' can really mean", Senator NYE continued.

"Under such favorable conditions, General Johnson could perform for the interests of monopoly a much finer service than he has been able to perform thus far with the boards, commissions, Congress, and the President himself on the ground, watching to see what was going on. What a summer for the American plunderbund!"

SAYS NEW REVIEW PLANNED

Senator NYE asserted Department of Justice agents have been sent to northern West Virginia to investigate charges that the bituminous-coal code authority there was guilty of malfeasance in office. The Darrow report charged this. Attorney General Cummings said no agents had been sent, but that it was being considered.

Leon Henderson, chief of the N.R.A. division of research and planning, disputed Senator NYE's assertion that his office was in ill-favor with General Johnson. In a formal statement, which Henderson described as "just a plain country boy's personal statement", and issued on his own initiative, he declared that his recommendations had been accepted in the main and that he had been given increasing responsibility.

"I got my job by hollering—and no day passes but what I holler about something", he said. "And General Johnson never yet has ever attempted to restrain me."

Henderson was drawn into N.R.A. after he had made severe criticisms of its operations as a consumers' representative, some months ago.

Senator NYE said he understood President Roosevelt was planning to set up another group to study the effects of codes on small businesses, consumers, and wage-earners, and that it would include representatives of the N.R.A. consumers' board, the N.R.A. statistical and planning division, the Federal Trade Commission, and the Darrow Review Board, probably after the Review Board had finished its work.

[From the Washington Evening Star of Wednesday, May 23, 1934]
**BIG IMPROVEMENT IN BUSINESS IS REPORTED BY INSURANCE HEAD—
 RAILROADS AND REALTY PARTICULARLY FOUND IN BETTER SHAPE—
 F. H. ECKER STOPS HERE IN TOUR THROUGHOUT COUNTRY**

On a tour of the United States and Canada to confer with his organizations field representatives, Frederick H. Ecker, president of the \$4,000,000,000 Metropolitan Life Insurance Co., tarried in Washington today long enough to loose a refreshing wave of optimism anent economic conditions.

His principal business here is a meeting of company representatives from the Virginia, Maryland, and West Virginia districts. Mr. Ecker nevertheless took time out this morning to receive reporters in his suite at the Mayflower Hotel and give them fresh impressions gathered during recent visits to every section of the country except the west coast. He expects to complete his travels in Canada and the West in the near future and seemed hopeful of finding vast improvements in business there as, he said, he has everywhere else throughout the Nation.

Brisk and cheerful, the insurance-company executive appeared to be carried along buoyantly on a wave of the upturning tide in business as he recounted the conditions he has observed in the South, the Middle and Northwest. He said the railroads are better, the real-estate situation is better, the former evil state of industry has begun to respond to treatment.

NONCOMMITTAL ON CAUSE

Just what has brought about the brighter turn of affairs, Mr. Ecker did not wish to say. Did he think the policies of the new deal responsible?

"I report to you conditions as I have found them, without drawing conclusions", he replied.

He was equally wary of comment on specific phases of new-deal activity or the critics who have beset the N.R.A. recently.

Of railroads, farms, and urban real estate he had more definite things to say. The railroads are in a much better state than they have been in the last few years, he believes. Business is picking up and, consequently, the use of railroads as freight and passenger carriers. If there existed enough business to use the facilities of the rails to their full extent, the transportation companies would be on easy street once again.

Meanwhile, he regards the underlying bonds of the companies as good investments today, even for the conservative life-insurance companies. This conclusion is based on the theory the underlying securities represent such a small portion of the values involved and are so close to the top claim that they will always be redeemable. He said in many respects the rails have suffered by their own failure to develop their services to meet the competition of trucks and passenger cars and airplanes. Faster freight and passenger trains, air-cooled cars for comfort, and other conveniences now being evolved to catch the fancy of shippers and travelers will lend new strength to the roads. He predicted that for some of them the inevitable difficulty, however, will lie in the location of new capital to aid them.

REALTY SHOWS UPSWING

Mr. Ecker, who worked his way up from office boy to president of Metropolitan Life in 45 years of continuous service and has headed the vast organization for about 5 years, was once the company's real-estate manager, and naturally has kept his interest in that branch of its broad investments. He said real estate now is beginning to reflect the upswing, showing a much better record on the books than it has in many months.

As for the farmers, he admitted his visits had been confined to the cities, but some of those were in regions where urban prosperity or lack of it is more or less a reflection of the state of agriculture in the surrounding area. Here again he found things looking up, completing a relatively rosy picture of the economic whole.

Diverted again into the fields of governmental topics, Mr. Ecker expressed his belief unemployment reserves could be set up effectively to take care of emergencies and seasonal reductions, but he did not set forth precisely what part the Federal or State Treasuries should play in creating these reserves. He said the question of plain Federal unemployment insurance was rather too complex and lengthy to discuss in a brief session, but cast forth a possible indicator of his opinion in remarking that from the business standpoint unemployment is uninsurable.

RATE TABLES NECESSARY

Rate tables, such as the mortality figures used by life-insurance companies, are necessary to fix insurance premiums, he pointed out.

It would be unjust, therefore, to set the costs for businesses employing men steadily throughout the year at a figure balancing the losses suffered through occupations subject to seasonal unemployment.

Nevertheless, he said, by the cooperation of employers and employees (and perhaps the Commonwealth) it would be possible to create funds to tide over the workers in periods of idleness.

Mr. Ecker will leave here tonight to continue northward on his journey, and thence to the final western territory in Canada and the United States.

[From the Washington Post of Tuesday, Apr. 17, 1934]

**INDUSTRIAL RECOVERY IS FOUND ADVANCING ALONG WIDER FRONT—
 SURVEY REVEALS FIRST QUARTER'S BUSINESS MOVED FORWARD VIGOROUSLY—GAINS RECORDED IN PRODUCTION, SALES, PRICES, PAY ROLLS,
 AND EMPLOYMENT**

NEW YORK, April 16.—Industry moved ahead vigorously in the first quarter of 1934. Increased activity, visible in a number of

lines late in 1933, was extended to all major industries in the first 3 months of 1934, with gains in production, sales, prices, employment, and pay rolls recorded on a far greater scale than in the corresponding period of any recent year, according to a survey of industry for the first quarter of 1934, which has just been completed by the research department of Dun & Bradstreet, Inc.

"The extent of the industrial gains is shown in the trends of seven primary factors", the survey points out, "all of which point to but one conclusion: That American industry enters the second quarter of 1934 with recovery in full swing.

"The preceding months have been a period of steady progress and outstanding achievement emphasized, and made more striking, by the low level from which the forward movement began. Fundamental conditions not only have improved greatly but the momentum of industry has been accelerated sharply.

PRODUCTION UP 10.8 PERCENT

"The extent of the industrial improvement in the first quarter of 1934 is shown in the movement of the Index of Industrial Activity during that period. The December index figure was 71.6. In the 3 following months it advanced successively to 72.5, to 73.2, and finally, in March, to 79.3. The gain over the December level of activity was 10.8 percent. This is the most impressive first-quarter activity increase recorded in any recent year.

"A continuance of the expansion of the volume of industrial sales also was a feature of the first 3 months of the year. For the first time in a number of years the sales of each one of the 25 industries charted was higher than in the corresponding quarter of the year before.

"In the third quarter of 1933 the sales averages of 16 of the 25 industries were over 100 percent. In the fourth quarter 100 percent or more was shown by 23 of the 25. Among the most outstanding gains were those of steel, automotive, chemical, and household products industries.

EMPLOYMENT AND WAGES GAIN

"First-quarter wage increases were of striking proportions, manufacturing pay rolls in February reaching a new high in a gain of 12 percent over the January figures, restoring a peak untouched since early in 1931, and making the greatest 1-month improvement in 15 years. The increases affected workers practically in all industries and applied both to salary and to wage-earners. The average increase in wage scales was slightly greater than the average increase in salary scales.

"The gains in employment in the first quarter of 1934 were equally as impressive as the wage increases. The average total of unemployed in the period was a little more than 8,000,000, whereas the total for the corresponding period of 1933 was over 13,000,000. The decrease in unemployment shown by these two totals is nearly 39 percent. The same totals, on the basis of 50,000,000 normally gainfully employed, show a gain in employment of 14.2 percent."

**TRUCKS GAINING IN SHIPMENTS OF LIVESTOCK—21 PERCENT OF
 SLAUGHTER ANIMALS RIDE TO MARKET ON RUBBER TIRES**

By Giles Findley

CHICAGO, April 16.—Livestock headed for slaughter pens rode to town in rubber-tired hacks in vastly increased numbers last year.

A survey of the receipts in Chicago, the largest livestock market in the world, revealed 21 percent of the 1933 arrivals rode to market in motor trucks. The year previous, 1932, the total was slightly less than 14 percent.

Total receipts of livestock in Chicago last year were 13,834,856 head. The year previous the total was 12,977,009. The motor-truck shipments in 1933 totaled 2,893,002 head, more than a million head over the 1,738,997 animals trucked in during 1932.

HOGS SHIPPED ON TRUCKS

The number of hogs shipped on rubber tires increased 80.32 percent, compared with 1932; cattle, 55.61; sheep, 30.11; and calves, 41.61. The average increase in shipments was 51.91 percent.

The livestock shipped on trucks was the equivalent of 47,318 standard carloads, if shipped by rail. This would make 789 standard 60-car trains, or an average of more than 2 trainloads daily for each day of the year.

Receipts of hogs in 1933 were 7,791,626 head, including 58,617 sows and 904,252 pigs purchased by the Government to reduce supplies. Of this amount, 1,953,777 hogs were trucked in, or 26 percent of the total.

This compared with receipts of 6,602,237 in 1932 with 1,083,487 on trucks.

RECEIPTS OF CATTLE

Cattle receipts were 2,066,659, with 464,142 by truck. The 1932 figures were 2,005,745 and 298,259, respectively. The 1933 truck movement was 22.5 percent.

Calves were figured separately and arrivals were 440,394, with 126,000, or 29 percent, by truck. The previous year saw arrivals of 446,842, with 89,093 in trucks.

Sheep producers apparently, however, saw little in the trucking idea. Receipts in 1933 were 3,536,177, with only 248,917, or 9.8 percent trucked. The previous year arrivals were 3,922,185, and trucks brought in 268,158.

BANK DEPOSITS INCREASE

NEW YORK, April 16.—An increase of \$24,371,704 in deposits during the first quarter of 1934 was reported today by mutual savings banks in New York State, the total reaching \$5,110,649,204 on March 31. There were 5,792,203 depositors, a gain of 72,384 for the period.

[From the Washington Post of Thursday, May 24, 1934]

UNEMPLOYED WORKERS IN NATION CUT TO 7,907,000 DURING 1 YEAR

NEW YORK, May 23.—The total number of unemployed workers in April 1934 was 7,907,000, according to an estimate of the National Industrial Conference Board issued today. This is a decline of 114,000, or 1.4 percent from the March total, and a decline of 5,296,000, or 40.1 percent, as compared with March 1932, when unemployment was at its highest point.

Unemployment increased 32,000 in mining, but this was overcome by decreases of unemployment in other industries as follows: Manufacturing and mechanical, 99,000; transportation, 7,000; trade, 59,000; domestic and personal service, 5,000; and 3,000 in miscellaneous occupations. In addition, it is estimated that 27,000 new workers became available for employment during the month.

Unemployment has decreased since March 1933 in all industrial groups for which figures are available. Decreases were especially marked in manufacturing and mechanical industries. The number unemployed in this group of industries in April 1934 was 2,500,000, a decline of 3,923,000, or 61.1 percent from the peak of unemployment in this group in March 1933. From March 1933 to April 1934 the number of unemployed workers in other groups decreased as follows: 54.8 percent in trade; 29.7 percent in domestic and personal service; 14.8 percent in the extraction of minerals; and 11.1 percent in transportation.

In this estimate the workers employed through the Public Works Administration are counted as employed. Emergency workers employed under Government auspices, usually part time, in lieu of direct unemployment relief are counted as unemployed.

UNEMPLOYED WORKERS IN GROUPS

The following table shows the number of unemployed workers in the various industrial groups in March 1933, March 1934, and April 1934:

Industrial group	Number of unemployed		
	March 1933	March 1934	April 1934
Extraction of minerals.....	576,000	459,000	491,000
Manufacturing and mechanical.....	6,423,000	2,599,000	2,500,000
Transportation.....	1,591,000	1,422,000	1,415,000
Trade.....	2,126,000	1,020,000	961,000
Domestic and personal service.....	607,000	432,000	427,000
Industry not specified.....	539,000	420,000	417,000
Other industries ¹	296,000	266,000	296,000
All industries.....	12,158,000	6,647,000	6,506,000
Allowance for new workers since 1930 census.....	1,045,000	1,374,000	1,401,000
Total unemployed.....	13,203,000	8,021,000	7,907,000

¹ This group includes agriculture, forestry, and fishing, public service, and professional service. The number given is that of the unemployed in 1930, no figures being available from which later changes in employment can be computed.

[From the Evansville (Ind.) Courier, Apr. 6, 1934]

JOBS MULTIPLY

One of the cheering bits of news lately is that young men are leaving the Civilian Conservation Corps at the rate of 7,500 a month to accept jobs. This competition of private employment began last October, continued through the winter at the rate of 5,000 or 6,000 a month, and rises higher as spring comes on.

The C.C.C. projects are recognized as worth while in themselves, for their contribution to the value of forests and eroded lands and for their wholesome building of the young manhood enrolled. But there are always new candidates available for the C.C.C. ranks, and there is all-round satisfaction when trained and toughened forest workers can be absorbed into private enterprise. They will be better workers for their experience, they will make more money, and they can be, for the most part, at home with their own people again.

It is still a big task for private business to absorb the millions squeezed out by the great depression. It may be years before all those who want and need work have regular jobs again. But the process is more rapid now, and may continue accelerating for months.

As the ranks fill up, people learn over again the old truth that there is not merely a fixed quantity of work to pass around. Work makes work. People work for each other in a thousand ways, jobs making more jobs, and total employment rolling up—as long as earnings keep pace with production and provide consuming power accordingly.

[From the Terre Haute (Ind.) Tribune, May 24, 1934]

SOMEONE HAPPY

When retail trade and mail-order business began to jump early this year the Jeremiahs said, "Oh, yes; it is not so bad, but wait until this C.W.A. spending stops."

Well, the C.W.A. spending has stopped and the retail trade keeps right on booming. The latest Dun & Bradstreet survey of merchandising conditions throughout the Nation finds "retail sales in nearly all lines at the best of any spring season of the last 3 years, with gains averaging 20 to 40 percent above last year."

Even more striking are the March and first-quarter reports of the mail-order houses, whose customers are mainly farmers. And here again the familiar explanation that this is all the result of Government money falls down badly. During March the cash loans of American farmers was \$417,000,000, the Bureau of Agricultural Economics estimates. In March 1933 it was only \$275,000,000. Only \$9,000,000 of the \$417,000,000 was from rental and benefit payments for acreage reduction. For the first quarter of 1934 the farmers' cash income was \$1,312,000,000, up from a 1933 figure of \$873,000,000. Only about 7 percent was from benefit payment. The Cleveland Plain Dealer remarks:

"It is genuine recovery, not mere disbursement of Federal money, which causes this continued uptrend in retail business."

"The Nation is on its way out of depression, and the increase among the dividend payers on the financial pages of the newspapers certainly must be heartening to the holders of stocks and bonds in this country. And these number 44,000,000 investors. That is one reason gloom in this country has been dispersed."

[From the Charleston (W.Va.) Mail, Apr. 2, 1934]

THE BUSINESS PICK-UP

Larger bank debits and postal receipts offer conclusive evidence of a business pick-up in the Charleston area. Further visible evidence can be found in the crowds on the streets and in the stores. Especially impressive was this last Saturday and Sunday night.

Bank debits show an increase of 14.96 percent over this time last year, according to the clearing-house association. They also are 4.63 percent above those for the first 3 months of 1933. Postal receipts for January, February, and March of this year increased \$7,371.73 over those for the same period in 1933. This increase took place in spite of the fact that the rate on local mail had been reduced from 3 to 2 cents.

The significance of these figures cannot be ignored or overlooked. Business here is increasing and at a rate that must be regarded as highly encouraging. More money is in circulation. Wage earners and others are keeping their dollars—or a fair share of them—moving. This means increased business generally.

[From the Evansville (Ind.) Courier, Apr. 17, 1934]

SALES UP

Department-store sales are as good an index as any for the general trend of business, because they register consuming power over so broad a field of merchandise. The figures for last month are impressive. As compiled by the Federal Reserve Board for the whole country, they show a gain of 44 percent over March of last year and the highest level since April, 2 years ago. They surpass the record for the brief boom that came early last summer and are still mounting.

These figures agree with those of the American Federation of Labor for the estimated buying power of workers. They evidently represent the buying power of all classes. That is the way business should advance—as uniformly as possible on all fronts.

There is special assurance now of continued progress because of the widespread raising of wages in compliance with the President's request. We may be coming again into a period when it will not be necessary to make such wage requests, because greater demand for labor and rising profits will bring good wages by natural processes.

[From the South Bend (Ind.) News-Times, Apr. 20, 1934]

ON THE WAY UP

One of the brightest spots in the business picture right now is being contributed by the department stores. During March there was a record-breaking 44-percent gain in the Nation's department-store sales, and there are excellent reasons for believing that this reflects a substantial rise in the general level of prosperity.

The gain is coming hand in hand with a rise in national income. Figures compiled by the American Federation of Labor show that the workers' total income has risen 41 percent in the past year—from \$1,784,000,000 in March 1933 to \$2,520,000,000 in March 1934.

These figures indicate pretty conclusively that the Nation is rapidly gaining its health. People have more money to spend, and they are spending it. The industrial pump is getting primed at last; the pick-up ought to go forward now rapidly.

[From the Huntington (W.Va.) Advertiser, Apr. 18, 1934]

INDEX TO BUSINESS IMPROVEMENT

Increases in both circulation and advertising space for newspapers throughout the country during recent months tell an impressive, convincing story of the rapid upward trend of business.

S. P. Weston, recognized expert newspaper analyst, is authority for the information that many newspapers during the past 6 months have made an all-time high record in circulation. The average increase in circulation for the country, according to this authority, is about 10 percent above the level of March 1933.

Retail-advertising lineage, an unflinching barometer of general business conditions, shows a gain over last year of 37.6 percent.

The gain of last month alone over the preceding month was 9.7 percent, and there has been a steady month-by-month gain since recovery got under way shortly after President Roosevelt's inauguration.

The increase in "help wanted" advertising—a gain which mounted in New York City from 34 percent in January to 45 percent in February and 78 percent in March over the same month last year—indicates that increased employment is preceding the trade upturn and clearing the way for the business advance.

The "help wanted" lineage in New York has shown a steady pick-up from November 1933 through March.

Here are the March retail-advertising gains in five key cities for March over the same month last year, as reported by Media Records:

New York, 28.1 percent; Chicago, 35.9 percent; St. Louis, 31.1 percent; Los Angeles, 30.4 percent; New Orleans, 56.9 percent.

No better index to improving trade conditions, industrial activity, and the reemployment of workers long idle could be had than these striking advances made by newspapers in the circulation and advertising fields.

[From the Wheeling (W.Va.) Register, Mar. 31, 1934]

DOWN IN BLACK AND WHITE

Things are certainly better than they were a year or so ago. If anybody has any doubt on this point, let him look at the figures made public by the Treasury Department as to income taxes. In the week after March 15 this year the Treasury had collected nearly \$190,000,000 in income taxes, as compared with \$131,000,000 in 1933 and \$147,000,000 in 1932. That shows an increase of over 40 percent.

It may be that the income-tax payers have indulged in 40 percent more grumbling than they did in the year before. But these increased tax payments prove that incomes have increased, and the fact that incomes have increased proves that things really are getting better. There is every reason to believe that next year's figures will show a much larger percentage of increase. And if so, that will mean that it is not going to be so very long until the depression is really a thing of the past.

[From the Davenport (Iowa) Democrat, Apr. 24, 1934]

IOWA BANKS IN FINE SHOWING

Iowa banks are today in better condition than they have been in since 1917, according to L. A. Andrew, former State superintendent of banking. That is a most encouraging report.

Mr. Andrew bases his conclusion on the fact that all Iowa banks are free of debt to the Federal Reserve System for the first time since 1917. No Iowa bank, either State or national, has any money borrowed from the Reserve System. At the peak of Federal Reserve borrowing, in 1921, Iowa banks owed the Federal Reserve \$98,700,000.

Freedom of debt means much to these banks. It assures the public that they are in a healthy condition, that they are strong enough to function without borrowing, that their cash reserves are sufficient to meet all demands made upon them for their successful operation. A bank without debt is a safe and sound institution. This improved condition of Iowa banks also reflects a returned confidence, and that is a bank's greatest asset.

Improvement in business, in employment, in manufacture, and in lines of trade will keep pace with that of the banks, for after all banks are the mainstay of business. It is one of the best signs of returning prosperity.

[From the Davenport (Iowa) Times, Apr. 14, 1934]

THE BUSINESS UPSWING

The business survey for the country as a whole, carried on the first page of the Times yesterday, showed a continuation of the upswing in trade, particularly that of retail establishments. A significant factor was that the tapering off which usually comes after Easter failed to materialize this year.

"In the industrial divisions", the Dun-Bradstreet report continued, "operating schedules are rising at a more rapid rate than they did in March, unaffected by any major degree by the labor difficulties still unsettled in some districts."

As reported from day to day, the labor difficulties appear to be formidable, but apparently they have not appreciably reduced the output of our major plants. In spite of strikes the automobile manufacturing companies that are members of the National Automobile Chamber of Commerce produced last month a larger number of cars and trucks than in any other month since September 1929. In addition, the chamber reported that more men were employed during the month than in any other month in the same period.

The output by chamber members was placed at 262,156 units for March, more than three times, or 209 percent above the corresponding month of 1933 and 49 percent above February of this year.

This brought the estimated production for the first quarter to 539,128, a gain of 84 percent, as compared with last year.

Despite increased production, "nearly every automobile company is reporting heavy lists of unfilled orders", the chamber reported.

The production figures, which include the output of every manufacturer except the Ford Motor Co., were summarized as follows:

Month:	Output
March 1934.....	262,156
February 1934.....	173,386
March 1933.....	84,983
3 months, 1934.....	539,128
3 months, 1933.....	292,176

The Ford Co. reported an output of 80,000 for March with an estimated output of 100,000 for April, if bodies and parts are available. The company said its retail sales in the last 10 days of March were the highest since May 1931.

[From the Davenport (Iowa) Democrat, Apr. 2, 1934]

RETURNING PROSPERITY REFLECTED IN INCREASED WAGES

There is no better criterion of returning prosperity than increased wages, and that seems to be the order of the day with a number of the larger manufacturing industries of the country.

The giant auto industry is operating at full speed on substantial wages to its hundreds of thousands of employees.

Now comes the United States Corporation and the General Electric Co. with announcements of wage increases of 10 percent.

Between 30,000 and 40,000 employees will benefit by the new General Electric increase, and the extra pay will total between \$3,500,000 and \$4,000,000 annually. United States Steel employs more than 190,000 wage earners and salaried men. Subsidiary companies of the United States Steel are joining in the increased-pay movement. Pay increases throughout the entire steel industry, it is estimated, would total between \$35,000,000 and \$40,000,000 annually.

From various parts of the country come announcements of wage increases in many industries. Most of these advances range from 10 percent up.

Certain it is, business conditions are improving, and prospects for a continuation of this improvement are most encouraging. Otherwise there would be no advance in wages at this time. Business creates wages; and the better business becomes, the higher wages may be expected by employees. No firm or corporation operating in the red will hardly increase wages. So it seems assured that many of our industries are again returning to a paying basis. That is most encouraging and the best sign that we are again on the upgrade and headed for a returned prosperity.

[From the Columbus (Ohio) Dispatch, May 10, 1934]

A FAVORABLE POSITION

The increase in the aggregate sum of deposits in Ohio banks shows a healthy progress toward economic recovery in this area.

The swelling volume of bank deposits, which are nearly 60,000,000 over the close of 1933, cannot be appraised otherwise than as revealing that confidence is widely restored in the financial institutions of this territory, which have ridden out the storms of the past 3 years.

Despite the strain of 4 years of depression, the State's banks now have combined resources of more than \$1,600,000,000. Ohio still ranks high in the list of favored States and promises to retain its position.

[From the Hamilton (Ohio) Journal, Apr. 12, 1934]

CONDITIONS ARE IMPROVING

That business conditions are improving in Hamilton and throughout the country cannot be denied. The improvement seen in the country as a whole is evidenced by the fact that automobile production is reaching a peak higher than in any other year since the depression swept the Nation; there is a decided increase in steel production; bank deposits show a gain; car loadings are increasing; industrial output is greater and in many parts of the country workers who were released by the C.W.A. are finding jobs in the factories.

There is no denying the very evident fact that the trend is toward a betterment of conditions generally. Optimism and confidence have now taken the place of uncertainty, pessimism, and the tendency to simply drift along with the tide of events.

[From the Wheeling (W.Va.) News, Apr. 28, 1934]

B. & O. IMPROVEMENT

The report of the Baltimore & Ohio Railroad for the first 3 months of 1934 shows a highly gratifying increase in business. Operating revenues for the 3 months were \$33,985,952, an increase of \$7,969,391, or practically 30 percent.

Net revenue from railway operations increased \$1,214,071 and reached the comfortable total of \$7,999,419.

The prosperity of the Baltimore & Ohio Railroad means much to West Virginia. The increase in business enjoyed by this great property is a fair measure of the increase in business throughout this section and throughout the territory which it serves. The substantial recovery which has been recorded during the first 3 months of 1934 must be gratifying to the general public, and particularly to the citizens of northern West Virginia.

[From the Huntington (W.Va.) Herald Dispatch, Apr. 25, 1934]

PROGRESS

Business continues to get better.

Revenue freight-car loadings in the week ending April 14 were reported at 17 percent above those of the corresponding week of 1933, and, contrary to the usual seasonal trend, 3.7 percent higher than the week preceding. This barometer of business showed a gain in almost every class of freight.

Dun & Bradstreet reported "a continuation of expanding sales in virtually all classes of merchandise", with totals rising 15 to 49 percent above last year's. The agency noted more activity in wholesale markets.

Here in Huntington the Owens-Illinois Glass Co. announces a 10-percent pay increase; the Kerr Glass Co. re-calls 72 workers; the

American Car & Foundry Co. will soon begin building Chesapeake & Ohio cars; a chamber of commerce survey of industrial-gas and electric-power consumption shows a definite upturn—all in 1 day's news.

[From the Huntington (W.Va.) Advertiser, May 8, 1934]

HAPPY DAYS

The Clarksburg Telegram is another West Virginia institution that finds happy days are here once more.

Of its recent success it observes:

"It is with gratitude and pardonable pride that the Telegram announces that more advertising was published in its three editions last Friday than in any other single day in more than 4 years. The total number of inches carried in the 26 pages was 2,403. On April 18, 1930, a total of 2,472 inches was published in this newspaper, or only 69 more inches than were published Friday.

"Everyone knows the story of the depression that started 4 or 5 years ago and what happened during that distressing period, so little need to be related here. Suffice to say, newspapers, like all other lines of business, suffered heavy losses, for every branch of business is correlated and dependent on others.

"Not only is the Telegram showing large gains in advertising but in circulation as well."

The Telegram, strong adherent to G.O.P. leadership and principles, is one of the most consistent defamers of the Roosevelt recovery plans in the State, despite this frank, enthusiastic acknowledgment of the business success it is enjoying under the new deal.

[From the Savannah (Ga.) Press, May 21, 1934]

THE DARROW ABUSE

It seems that the Darrow Board to investigate the N.R.A. had a great opportunity in suggesting amendment to that important movement.

Instead of that, as a Republican paper in New York says, it seems that Mr. Darrow was out to make a case against the N.R.A., not to suggest its improvement. The whole report reads like an indictment probably arrived at long before the N.R.A. was conceived. It is merely a sweeping condemnation of the whole system; it thinks that the N.R.A. should be scrapped as a whole. For this reason it falls short of its opportunity, which was to cooperate with the Government and recommend changes and improvements if necessary. The report gives General Johnson a chance to reply and leaves the whole matter in controversy; instead of a dignified statement their report is merely an indictment.

How it ever occurred to anybody to put Clarence Darrow at the head of such an investigation is not easy to see. Mr. Darrow used to be an able lawyer. He might have been selected to prepare an excellent brief for the manufacturers, but no one trusted his experience in economic matters. Instead of clearing the atmosphere, the report, which recommends that the N.R.A. ought to be done away with, simply muddies the waters, if one can use a mixed metaphor. Instead of scrapping the N.R.A. it looks as if the Board, which has rendered such an absurd report, should itself be done away with. The object of the appointment of this Board must have been enlightenment. Instead of that the board has returned only abuse.

[From the Buffalo (N.Y.) Times, May 21, 1934]

DARROW DISAGREES

The Darrow Board report is disappointing. Most of its sound criticisms have been anticipated by N.R.A., and remedial action started, particularly in the temporary steel code. Records of business failures show that the codes in general have aided rather than harmed the little fellows.

But the National Recovery Review Board's report is a tremendously important document despite its weaknesses. It sums up the attacks on N.R.A.—contradictory as they are—and winds up with Clarence Darrow's own sincere diagnosis of the ultimate fate of our industrial civilization.

Darrow says our choice is between "monopoly sustained by government" and "a planned economy which demands socialized ownership and control." General Johnson says these alleged alternatives really are "fascism and communism."

N.R.A. from the beginning has been designed as a "half-way house" between these two, which could be fitted to democratic political government and a democratic people. It is also a framework in which future planned economy is possible. Darrow's conclusion, therefore, attacks the fundamental aim of N.R.A. He says in effect that public supervision without "ownership and control" cannot cure us of monopoly and other business evils.

Maybe not, but the experiment is still in process, and it is too early for dogmatic predictions. The Recovery Act in effect is a blueprint of a plan for industrial democracy. Under it, or something better along similar lines, stand our hope and chance for a happier, more abundant, and efficient industrial life. It has had less than a year's trial, and N.R.A. is trying hard to improve the structure it has built.

The Darrow Board's finding of monopoly tendencies under code operations is more to the point. Analysis, however, shows that monopoly practices have prevailed in business for many years. N.R.A. embodies some of these accepted practices in codes and sought to regularize them to avoid business crookedness.

The report makes the charge that big business dominates the code authorities, and that business has its own men in N.R.A. This is a trend deserving serious consideration. It is one of

N.R.A.'s weak spots, where a break might do irreparable damage to N.R.A.'s fundamental aim and principles.

The answers by Johnson and General Counsel Donald R. Richberg, as sharp in tone as Darrow's complaint, might well have been more temperate. Richberg's separate reply concerning the steel code is an able defense, admitting shortcomings due to the mad code-making scramble of last fall and outlining plans for more safeguards.

It is unfortunate that the Darrow criticism is not better based; there is plenty of room for improvement in N.R.A. and its codes.

But it will be equally unfortunate for N.R.A.'s enemies if they try to use the Board's findings as a basis for political attack on the Recovery Act; N.R.A.'s defense is more than adequate.

[From The Journal of Commerce, New York, May 21, 1934]

AN ATTACK FROM THE LEFT

Recent meetings of business and banking groups have heard a great deal of criticism of Government regimentation of industry and the dangers of excessive Federal intervention through the N.R.A. As a result, to superficial observers it appeared that the battle over the future of the National Industrial Recovery Act was to be fought with radical and progressive elements lined up in favor of it, and conservatives generally opposed. The Darrow Review Board report made public today brings a new element into the situation.

This remarkable document was prepared by a body appointed to hear complaints from small business men and to evolve ways and means of protecting them from oppression by large concerns. The minority report of John F. Sinclair does precisely this, suggesting speedy consideration of minor complaints by the N.R.A. itself, and fuller analysis of protests involving fundamental policy by technically qualified review boards to be established apart from the present N.R.A. organization.

The Darrow report proper, on the other hand, merely pronounces a sentence of utter doom upon the small business man. It finds that he is generally oppressed and faced with utter extinction under many of the codes of fair competition. However, it holds at the same time that a return to unregulated competition and the regime of the antitrust laws "is not possible in a situation where technological advance has produced a surplus so that unregulated competition demoralizes both wages and prices, and brings on recurrent and increasingly severe industrial depression." We thus have left only Hobson's choice between monopoly under the N.R.A. and collectivism.

Clarence Darrow thus throws his hat into the ring as a candidate for the post of the American Lenin who, as Dr. Wirt predicted, has been quietly awaiting an opportunity to succeed Mr. Roosevelt.

This startling conclusion in favor of the socialization of industry, which can hardly help the small business man any more than the large monopolist as the Russian "kulak" discovered, is not based upon the detailed data contained in the Darrow report. It is evidently an "a priori" conclusion, probably arrived at by the members of the board long before the N.R.A. was even conceived. The report itself, as a matter of fact, is a long recital of the practical complaints received against various codes and contains specific suggestions generally designed to give small enterprises greater representation in code authorities.

The problem of the small business under the N.R.A. is a real one and deserves careful and serious study rather than the amateurish type of analysis made by the Darrow Board. Small enterprises have survived and prospered in various industries for quite different reasons. Sometimes it is because of numerous style changes or other factors that create a need for flexibility, as in the case of textiles. Sometimes it is because of the service element involved, as in many branches of retail trade. In still other instances, it may be largely because of excessive wage-cutting or unethical business practices, as General Johnson and Mr. Richberg love to state.

Since the persistence of the enterprise reflects so many diverse factors, there is no room for any magic formula to solve its problems. If the N.R.A. standardizes wages and other costs, and then seeks to bar selling below cost, enforcement of the codes will spell the doom of many small and also some large concerns. Even if this happens, however, there are very many small businesses that will remain firmly entrenched, due to basic advantages they possess apart from wage cutting. Among these, the Darrow plea for the immediate introduction of the Communist State will hardly meet with a hearty response.

The callow character of the Darrow report, events may show, will do serious injury to constructive improvement of the N.R.A., because it will tend to reflect discredit upon criticism of the movement in general.

[From the Union City (N.J.) Hudson Dispatch, May 22, 1934]

DARROW'S ONE-SIDED CRITICISM

Commenting on the Darrow report on the workings of the N.R.A. the Cleveland Plain Dealer says:

"No honest picture of N.R.A. can be all whites or blacks. The grays and other middle tones cannot be ignored. Yet Clarence Darrow, the incorrigible advocate, ignores them. He has no taste for anything but splash colors. One is moved to the belief that he set out to convict N.R.A."

Even Ogden L. Mills, one of the bitterest critics of the administration, refuses to condemn N.R.A. as all bad.

Clarence Darrow, as chairman of the National Recovery Review Board, named by President Roosevelt, would junk the whole alphabetical list of recovery measures that sprang from the National Industrial Recovery Act. He would also annihilate the profit system with it.

General Johnson pointedly remarks that Darrow gives "the United States a choice between fascism and communism."

The Roosevelt administration has steered a course midway between the old profits system of special privilege in the past and socialism or fascism of the present.

The Roosevelt policies attempt to maintain democracy in such a liberal form that its benefits will be more wide-spread than ever before. The old capitalistic system collapsed under its own weight. The unsteady props were wiped away by the floods of depression.

A change was necessary. Was the country to be swept into fascism, nazi-ism, communism, or socialism? Not if Franklin D. Roosevelt could save it for democracy. The N.R.A. and all the other recovery measures, many of which would have been denounced as socialism years ago, were introduced.

Recovery began to show signs of life. Business got better. Car loadings doubled. Credit was loosened up. Normal conditions came into sight after 4 dark years of ever-increasing depression.

The voice of a Darrow can only serve to call attention to the good points of the N.R.A. as well as its demerits. Out of the seething fire unloosed by the Darrow Board will come a greater N.R.A. It is well that the worst has been said. One feels always stronger when he knows the worst. For he knows that what lies ahead will be better.

No great changes, as complicated as the recovery measures that reach to every nerve and fiber of a sensitive economic system, can be wrought with perfection.

Criticism, even though unjust, will serve only to perfect the policies laid down by President Roosevelt that have brought this country from the doldrums of despair to the point where the dawn of a new day is breaking gloriously over the economic horizon.

When Herbert Hoover selected a board to pass upon prohibition, he chose men whom he knew to be almost as one with him. The majority report made by Wickersham reflected the view of the President who had made the appointments.

President Roosevelt did not select any "yes men" to review the acts of the N.R.A. He selected one of its severest opponents in choosing Darrow. That shows the President was not afraid of any just criticism.

[From the Washington (D.C.) Herald, May 23, 1934]

THE DARROW REPORT

The report of the Darrow committee on the N.R.A. need not have been withheld from publication until the Recovery Administration's reply was ready for simultaneous issue.

The report answers itself.

It is a frantic, fanatical, socialistic, and almost anarchistic attack upon the administration and its purposes.

An important and needed inquiry has been perverted to the service of Clarence Darrow's hates, prejudices, and long-trumpeted hostility to the ways of ordered society.

In the operation of the N.R.A. there is undoubtedly an impact upon the small producer and the independent merchant which should be lightened and, if possible, removed. It is a real defect in the National Recovery Act and calls for dispassionate approach and correction if possible.

Darrow, as the chairman of the committee appointed to examine this question, has used his position to arraign the measures of the administration generally and with such bias, exaggeration, and distortion that he has discredited himself and all the things he stands for.

As a matter of fact, instead of injuring the administration, which was his obvious desire, he has conferred a distinct benefit upon it.

He has made its policies, some of which are disquieting enough, more acceptable in the minds of the sane and sober citizens of the Nation. Even the most disturbing of the administration's proposals seem sound and conservative by comparison.

This so-called "Board of Review", which is nothing less than a board of defamation and detraction, has done a service to the Nation as well.

Mr. Darrow will gain no commendation or support for his fantastic theories among the vast majority of our judicious people.

The administration should learn one thing from this incident, and that is not to create a lot of boards to formulate opinions which the administration should possess for itself.

Mr. Roosevelt was elected to be President of the United States to carry out the provisions of the Democratic platform, to put his own progressive ideas into operation, and not to learn from or listen to the freaks and fanatics of politics.

No one cares what Mr. Darrow's opinions are. No one wishes to hear them.

He is known to be an unbalanced extremist, a violent and erratic person.

Why should the administration desire his views when the public does not desire his opinions or have any confidence in them?

Why should the administration appoint boards and commissions of this kind?

Why should it depend in any way on Socialists and Communists and anarchists?

The people did not elect them to put their ideas into operation and never will elect them.

The people have no patience with these fanatics.

The people are disgusted that they should be allowed to encumber the columns of the newspapers with their propaganda.

It is, after all and to some degree, Mr. Roosevelt's own fault that these extremists are in a position to speak as dignified advisers of the administration.

Fortunately their violence deprives them of all credence and authority.

Fortunately this report on the Board of Review will have no effect except to discredit its signers and strengthen its opponents.

But the President should learn from this incident not to depend on people of this unbalanced character.

Let him exercise his own judgment, pursue his own policies.

It was for that he was elected President of the United States.

[From the Washington (D.C.) Star, Apr. 25, 1934]

BUSINESS NOTES

NEW YORK, April 25.—Reorders in the wholesale markets here continue good. Indications are that April retail volume, despite the drop in the first half will run ahead of the same month last year. Sportswear, summer dresses, linen and pastel coats are in current favor.

A price of 6 percent on felt-base floor coverings manufactured by Congoleum-Nairn, Inc., has been announced. Other mills are expected to announce advances later this week.

With orders for popular shades of dress linens still coming into the wholesale market here, importers have resorted to the dyeing of other shades of linen piece goods in order to fill the demand. Calls for navy, black, and some shades of brown have exhausted stocks on hand.

The gray-goods market has continued dull with buyers restricting orders to small quantities of goods for immediate delivery.

Reorders on sports fabrics are reported heavy both from retailers and cutters-up. The laces, of crash, are featured in solid color all-over figure and drawn-work types and also in multi-color effects.

ADVERTISING VOLUME CONTINUES TO CLIMB

NEW YORK, April 25.—Advertising volume in March not only maintained but surpassed the record of gains which have been recorded during the past 9 months, Advertising Age reports. Newspaper advertising in 77 cities last month totaled 144,451,000 lines, a gain of 30 percent over the corresponding month of 1933.

Automotive advertising continued to lead the way with a smashing increase of 141.7 percent. The total for March 1934 was 8,261,796 lines, while a year ago it was 3,418,000 lines.

Other general advertising gained 37.7 percent, rising to 27,480,000 lines. Store sales increases were reflected in a jump of 21,268,000 lines in retail advertising to 84,717,000, a gain of 33.5 percent.

AUTO PRODUCTION CONTINUES TO RISE—YEAR'S PEAK BELIEVED CLOSE AT HAND, WITH 400,000 MARK LIKELY FOR APRIL

NEW YORK, April 25.—Automobile production has continued to gain, reaching the highest level since the spring of 1930. With 400,000 cars and trucks indicated as a possible attainment for April, including both United States and Canada, the 1934 peak of vehicle output is believed to be close at hand.

Dealers' stocks, unusually low during the early weeks of the year, doubtless have been built up materially in recent months and, in the majority of cases, probably are ample.

A tapering of factory operations would not be unexpected during the ensuing weeks of this quarter, but no drastic curtailment is believed to be in immediate prospect, in the opinion of the Standard Statistics Co., of New York.

While a close estimate of production is difficult in view of uncertain demand and labor conditions, out-turn for the entire first half of 1934 should be well above the 1,640,000 units constructed in the initial 6 months of 1931. A figure not far from 1,750,000 cars and trucks may, in fact, be attached in the current half year, whereas 1,045,000 units were built in the like 6 months of 1933.

DAILY OIL PRODUCTION MOUNTS 4,987 BARRELS

TULSA, OKLA., April 25.—Crude-oil production of the United States increased 4,987 barrels in daily average last week, from 2,472,906 to 2,477,893 barrels, the Oil and Gas Journal says.

A sharp increase in east Texas production, accounting for most of Texas' rise from 1,008,879 to 1,039,549 barrels daily, was the deciding factor in the week's statistics. Most other areas cut production. Eastern fields, including Michigan, had an increase from 127,122 to 128,904 barrels.

[From the Herald Tribune, Thursday, Apr. 19, 1934]

INDUSTRIAL REPORTS

American Hide & Leather shows for 9 months ended March 31 net profit of \$455,840 after depreciation, reserves, and Federal taxes, equal to \$4.56 a share on 100,000 shares of 7-percent preferred stock. In the preceding fiscal year the company reported for 36 weeks ended March 4 profit of \$313,708 before Federal taxes. Net profit for the quarter to March 31 was \$68,232 after depreciation and Federal taxes, equal to 68 cents a share on the preferred stock. For 12 weeks ended March 4, 1933, profit was \$31,874 before Federal taxes.

Auburn Automobile and subsidiaries for the quarter to February 28 report net loss of \$857,395 after depreciation, interest, taxes, minority, interest, etc., compared with net loss of \$577,466 in the quarter ended the like date in 1933.

Beech-Nut Packing reports for the 3 months ended March 31 net earnings of \$444,192 before Federal taxes. This compares with \$403,050 for the same period of 1933. After deduction of estimated Federal tax and providing for preferred dividends on 45 shares of class A stock outstanding, a balance of \$382,531 was left applicable to the common stock, equal to 87 cents a share for the first quarter on 437,524 shares of common outstanding.

Atlantic Refining and subsidiaries report profit of \$613,000 for the first quarter of 1934, compared with loss of \$3,127,000 for the like first quarter of 1933. The figures allow for interest, depreciation, and taxes. In the first quarter of 1933 loss of \$3,127,000 included merchandise inventory write-down of \$1,879,000, while profit reported in the first quarter of 1934 reflected only a minor inventory adjustment. Per share profit on the common for the first quarter was 23 cents against loss of \$1.16 a share for the first quarter in 1933.

Bowman Biltmore Hotels reports income of \$1,754,608 from room rentals, restaurants, concessions, etc., for the initial quarter of 1934. After deduction of interest, provision for depreciation and amortization, and Federal income taxes, net loss was \$310,451.

Edison Bros. Stores and subsidiaries report for 11 months to December 31, 1933, net profit of \$484,186 after depreciation, Federal taxes, etc., equal, after 7-percent preferred dividends, to \$4.15 a share on 106,435 shares of common stock. For the year ended January 31 net profit was \$77,295, or 26 cents a common share.

Gibson Art and subsidiary, Gibson Playing Card Co., report for the fiscal year to February 28, as certified by independent auditors, net profit of \$136,094, after depreciation, interest, taxes, etc., equal to 74 cents a share on 182,739 shares of stock. This compares with net loss of \$134,927 in the preceding fiscal year.

Indian Motorcycle and wholly owned subsidiary, Indian Acceptance, through E. Paul du Pont, report for the quarter ended March 31 net profit of \$31,256, after depreciation and reserve of \$22,078 had been deducted, compared with net loss of \$46,826 for the like quarter of 1933, loss of \$40,882 in the first quarter of 1932, and net loss of \$21,336 in the fourth quarter of 1933. Mr. du Pont, speaking for the company, said: "From our present sales and production it appears certain the current year will be the best since 1929 for our company as well as the entire motorcycle industry and sport."

Interlake Iron shows for the quarter to March 31 net loss of \$68,956, after interest, depreciation, taxes, etc., compared with net loss of \$211,562 in the first quarter of the previous year.

Martin (Glenn L.) Co., in its statement for 1933, as audited by independent accountants, shows net loss of \$140,341, after taxes, depreciation, interest, amortization, and other charges, compared with net income of \$1,528 in 1932.

Mountain & Gulf Oil shows for 1933 net profit of \$51,190, after taxes, depreciation, depletion, etc., equal to 1 cent a share on 4,000,000 shares of capital stock. This compares with net loss of \$10,222 in 1932.

Conde Nast Publications, for the quarter to March 31, shows net profit of \$35,774, after charges and taxes, compared with net loss of \$69,998 in the first quarter of 1933.

National Biscuit reports for the quarter ended March 31 net income of \$3,066,620, after charges, taxes, etc., equivalent, after dividend requirements on the 7-percent preferred stock, to 42 cents a share on 6,289,263 shares of common stock. This compares with \$3,082,828, or 42 cents a share, in the first quarter of 1933.

New Bradford Oil reports for 1933 net loss of \$199,948 after taxes, depreciation, depletion, minority interest, etc., but exclusive of a loss on sales of assets amounting to \$204,110. This compares with net loss of \$175,080 in 1932.

Pennsylvania-Dixie Cement shows for 12 months, to March 31, profit of \$396,528 before depreciation, depletion, and interest, compared with \$144,314 for the 12 months ended March 31, 1933. After provision for depreciation, depletion, and interest net loss was \$1,549,736, against net loss of \$1,819,538 in the preceding 12 months.

Pittsburgh United reports for 1933, as certified by independent auditors, net loss of \$89,987 after taxes, interest, etc., compared with net loss of \$81,382 in 1932.

Plymouth Oil and subsidiary, Big Lake Oil, show for the quarter ended March 31 net income of \$210,314 after depreciation, depletion, Federal taxes, etc., equivalent to 20 cents a share on 1,050,000 shares of stock, including shares held by the company. This compares with \$7,787, or less than 1 cent a share, in the first quarter of 1933.

Salt Creek Consolidated Oil reports for 1933 net loss of \$62,498 after taxes, depreciation, depletion, and other deductions, compared with net loss of \$51,581 in 1932.

Seeman Bros. reports for the third quarter ended March 31 net profit of \$108,224 after all charges, including Federal tax, equal to \$1 a share on 108,000 shares outstanding, as against \$65,468 last year, equal to 60 cents a share on 108,400 shares then outstanding.

United Biscuit of America and subsidiaries report for the quarter ended March 31 net profit of \$260,317 after depreciation, interest, and Federal taxes, equal after dividend requirements on the 7-percent preferred stock to 52 cents a share on 450,325 shares of no par common stock. This compares with \$209,125, or 41 cents a common share, in the first quarter of 1933.

United States Realty & Improvement and subsidiaries, exclusive of George A. Fuller Co. and subsidiaries and Plaza Operating Co. and subsidiary, report for the quarter to March 31 net loss of \$65,472 after taxes, depreciation, interest, etc. Consolidated net income of George A. Fuller Co. and subsidiaries for the quarter to March 31 was \$33,958 after depreciation, Federal taxes, etc. Consolidated net loss of Plaza Operating Co. and subsidiary for the

same quarter was \$209,221 after taxes, depreciation, interest, etc. For the quarter just closed United States Realty & Improvement and subsidiaries, including George A. Fuller & Co. and Plaza Operating Co., reported net loss of \$130,899 after taxes, interest, depreciation, etc., but before providing for subsidiary dividends.

Waldorf system reports first quarter net profit of \$41,636 after depreciation, amortization, Federal taxes, etc., equal to 9 cents a share on 433,719 no par shares of common stock. This compares with \$22,926, or 5 cents a share on 438,219 shares in the first quarter of 1933.

STUDEBAKER CREDITORS PLAN REORGANIZATION—DETAILS OF PROPOSAL LACKING—COMPANY IN RECEIVERSHIP

Although official confirmation was not forthcoming, it was reliably reported yesterday that plan of reorganization for the Studebaker Corporation, at present in receivership, was being discussed by leading creditors. Attorneys at the law office of Paul Cravath, counsel for the Studebaker Corporation, refused either to affirm or deny the report. Mr. Cravath is in Europe.

Improvement in the financial outlook of the corporation under the administration of the receivers—H. G. Vance, Paul G. Hoffman, and A. G. Bean—has led to expectation that some plan would be developed. According to the report, the plan is in a preliminary stage, and there is no indication of the date when its details may be made public.

In the report of receivership made public last week a definite statement was made that completion of consolidation with the White Motor Co., of which Studebaker owns 95 percent of the stock, would not be made. On this basis, it is expected that the plan provides for an arrangement for separation from White.

Studebaker during the first quarter of this year reported sales at 14,500 units, which compares with about 9,000 units for the first quarter of 1933 and 18,705 units during the first 3 months of 1932. Although it cannot be exactly determined if the corporation is now operating on a profit, because present operations exclude depreciation, property, and interest charges, the automobile trade is confident that operations are in the black. The annual report showed net working assets at about the same level as a year ago, when the receivership began.

SUGAR PRICES REDUCED

The Great Western Sugar Co. has reduced the price of beet sugar 20 points to 4.10 cents a pound in territory west of Chicago, it was announced yesterday. The California & Hawaii Sugar Co. yesterday reduced the price of refined sugar in guaranteed territory 20 points to 4.30 cents a pound.

C. & O. UNIT BUYS \$1,017,000 IN NICKEL PLATE—VIRGINIA TRANSPORTATION CO. REVEALS PURCHASE OF NOTES IN I.C.C. REPORT

The Virginia Transportation Co., investment subsidiary of the Chesapeake & Ohio, acquired \$1,017,000 6-percent notes of 1935 of the New York, Chicago & St. Louis Railroad last year. This was revealed in the Interstate Commerce Commission report of the Chesapeake & Ohio, which controls the New York, Chicago & St. Louis, known as the Nickel Plate road.

Refunding a maturity of \$20,000,000 6's, due October 1, 1932, the Nickel Plate issued 6's of 1935 at the rate of 75 percent new notes and 25 percent cash for the old issue. At the end of 1932 the report showed no Nickel Plate notes held by either the Chesapeake & Ohio or the Virginia Transportation.

Investment of the Virginia Transportation in Erie, Chicago & Eastern Illinois and Pittston remained unchanged last year. The subsidiary and the Western Pocahontas Corporation and the Western Pocahontas Fuel Co., also C. & O. subsidiaries, held a total of \$1,170,000 Chicago & Eastern Illinois bonds. These were obtained at a cost of \$351,421.

In order to provide general mortgage bonds for the refunding of the Fremont, Elkhorn & Missouri Valley Railroad consolidated 6s, the Chicago & North Western, according to its commission report, entered the market. The Fremont issue was covered by the first and refunding mortgage.

The road bought \$157,000 general 5's of 1937 at \$110,460 and acquired \$225,000 6½ percent secured bonds of 1936 at a cost of \$201,392. Cancellation of the latter released \$268,000 of the general mortgage bonds, making a total of \$425,000 obtained through the market for delivery under the refunding exchange plan. The remainder of the general mortgage issue was received on retirement of \$6,355,000 5-percent debentures in May.

NEW HAVEN REVENUE UP 18.8 PERCENT OVER LAST YEAR—PELLEY TELLS HOLDERS EXECUTIVE PAY WAS CUT 51.7 PERCENT

NEW HAVEN, CONN., April 18.—A definite improvement in the operating revenues of the New York, New Haven & Hartford Railroad was reported by John J. Pelley, president, today at the annual stockholders meeting.

Mr. Pelley said revenues have increased over \$2,850,000, or 18.8 percent, compared with the same period last year. Of this total, \$2,150,000 is represented by increased freight revenue.

According to President Pelley, the amount of compensation paid New Haven executives, officials, and staff assistants for 1933 was 51.7 percent less than for 1929; whereas this same class of supervisory employees for all class I railroads decreased in the amount of compensation received, compared with 1929, only 35.6 percent.

Paul Shoup, vice president, said March earnings of the company were above the same month of 1933 and also higher than February 1934, adding that the upward trend had continued in the first half of April.

"PENSY" SHOWS 2 MONTHS' NET OF 11 CENTS A SHARE—COMPARES WITH LOSS LAST YEAR—CHESAPEAKE & OHIO PROFIT UP TO 92 CENTS IN FIRST QUARTER

The Pennsylvania Railroad reports for the 2 months ended February 28 net income of \$1,518,080 after taxes and charges, equal to 11 cents a share on 13,176,696 shares of par \$50 capital stock. This compares with net loss of \$979,949 for the like 1933 months. Net income for February was \$474,601, against a loss of \$939,334 in February last year.

Chesapeake & Ohio: Reports for the quarter ended March 31 net income of \$7,040,496 after taxes, charges, and sinking-fund requirements, equal after preferred-dividend requirements to 92 cents a share on 7,653,394 par \$25 shares of common stock. This compares with \$4,487,470, or 59 cents a share, on 7,652,813 common shares in the first quarter last year. Net income for March after all charges and reserves was \$3,087,592, against \$1,220,955 in the like 1933 month. For the first time since March 1930 gross income exceeded \$10,000,000.

Lehigh Valley: Reports to the New York State Public Service Commission total assets as of December 31, 1933, of \$243,824,743, compared with \$244,843,819 at the end of the previous year. Profit-and-loss surplus was \$40,872,738, against \$46,217,024; current assets, \$7,874,113, against \$7,484,251; and current liabilities \$10,471,419, against \$8,926,429.

Louisville & Nashville: Reports for the 2 months ended February 28 net income of \$1,142,362 after taxes and charges, equal to 97 cents a share on 1,170,000 shares of capital stock. This compares with net income of \$202,036, or 17 cents a share on common, in the like 1933 months. February net income was \$555,661, against \$178,342 in the same month a year ago.

Ann Arbor Railroad: Reports net loss for February of \$20,660, against net loss of \$56,431 in the same month a year ago. Loss for the 2 months ended February 28 was \$47,812, against loss of \$114,507 in the like 1933 months.

Chicago & Eastern Illinois: Reports as of February 28 current assets of \$2,114,114, compared with \$2,359,359 on the same 1933 date. Current liabilities increased to \$12,363,108 from \$10,535,802. Investments in stocks and bonds totaled \$56,122, against \$9,538.

Mobile & Ohio Railway: Reports February net loss of \$144,023, against loss of \$210,356 in the same month a year ago. Loss for the 2 months ended February 28 was \$280,981, against loss of \$452,721 in the like 1933 months.

Wabash Railway: Reports February net loss of \$259,704, against loss of \$703,517 in February last year. Loss for the 2 months ended February 28 was \$741,540, against loss of \$1,560,888 in the same 2 months last year.

Chicago & North Western: In preliminary estimates places its deficit for the first quarter at slightly more than \$2,500,000 after charges, it was stated yesterday by Fred W. Sargent, president. The figure given would be about \$2,800,000 less than the loss reported by the road for the first quarter last year.

[From the Washington (D.C.) Post, Apr. 17, 1934]

CRUDE RUBBER CONSUMPTION IS UP IN MARCH—USE FOR MONTH INCREASES 163.8 OVER REQUIREMENT IN 1933 PERIOD

NEW YORK, April 16.—Consumption of crude rubber by manufacturers in the United States for the month of March amounted to 47,614 long tons, which compares with 40,609 long tons for February.

March consumption shows an increase of 17.2 percent over February, and 163.8 percent over March a year ago, according to statistics released by the Rubber Manufacturers Association today. Consumption for March (1933) was reported to be 18,047 long tons.

This organization reports imports of crude rubber for March to be 44,605 long tons, an increase of 43.7 percent over February and 60 percent above March 1933.

This association estimates total domestic stocks of crude rubber on hand March 31 at 351,064 long tons, which compares with February 28 stocks of 357,094 long tons. March stocks show a decrease of 1.7 percent as compared with February and were 10.1 percent below stocks of March 31, 1933.

The participants in the statistical compilation report 54,722 long tons of crude rubber afloat for the United States ports on March 31, compared with 53,063 long tons afloat on February 28 this year, and 29,531 long tons afloat on March 31, 1933.

March reclaimed rubber consumption is estimated to be 9,683 long tons, production 11,479 long tons, stocks on hand March 31, 25,113 long tons.

DOLLAR SALES OF AUTOS RISE 22 PERCENT

The annual dollar sales of new passenger automobiles declined 75 percent from 1929 to 1932 and recovered by 22 percent during the year 1933, according to the new monthly index of automobile sales appearing in the April issue of the Survey of Current Business published by the Bureau of Foreign and Domestic Commerce.

The trend of sales was sharply downward from 1929 through 1932 and the first 4 months of 1933, but the greatest drop occurred between 1931 and 1932, when sales decreased 43.5 percent. The decrease between 1929 and 1930 was 35.5 percent and between 1930 and 1931 was 32.5 percent.

The largest months' sales shown by the index, which is based on the 1929-31 average as 100, occurred during the peak season of 1929, when the index numbers were 168.8 for March, 232.7 for April, and 205 for May. Even after allowance is made for usual seasonal fluctuations, the same 3 months of 1929 are still the largest, with adjusted index numbers of 153.5, 154.5, and 146, respectively. The lowest index numbers recorded are 17.3 for

December 1933, 22.3 for October 1932, 17.6 for November 1932, and 19.3 for December 1932. But on a seasonally corrected basis October and November of 1932 become the lowest months, at approximately equal level, with adjusted index numbers of 23 and 28.5, respectively.

MARCH COTTON EXPORTS HIT BY SEASONAL CUT

Exports of raw cotton from the United States during March amounted to 550,000 bales, valued at \$34,219,000, compared with 628,000 bales, valued at \$37,280,000, in February and 486,000 bales, valued at \$17,957,000, in March 1933, according to an analysis of the export figures by the Textile Division, Bureau of Foreign and Domestic Commerce.

The March figures show a decline of 78,000 bales from the February total, which is seasonal. The decline in value was \$3,061,000 from the value in February. On the other hand, the March figures showed an increase of 62,000 bales and \$16,262,000 over the exports during March 1933.

For the 8 months of the cotton season, August to March, inclusive, the shipments aggregated 6,098,000 bales, valued at \$331,831,000, compared with 6,085,000 bales, valued at \$234,715,000, for the corresponding 8 months of 1932-33, representing a slight increase of 13,000 bales in quantity but a substantial increase of \$97,116,000, or 41 percent, in value.

[From the New York Herald Tribune, Apr. 26, 1934]

WESTINGHOUSE ORDERS UP 57 PERCENT TO \$20,237,588 IN FIRST QUARTER—MARCH BOOKINGS SET MARK FOR 2½ YEARS—3-MONTH LOSS CUT TO \$1,776,152

Orders received by the Westinghouse Electric & Manufacturing Co. for the first quarter of 1934 totaled \$20,237,588, compared with \$12,847,801 for the corresponding quarter of 1933, an increase of 57 percent, according to a statement made public today. At the same time it was reported that March bookings were in excess of any month since September 1931.

George H. Bucher was elected president yesterday of the Westinghouse Electric International Co. Mr. Bucher, who is also general manager of the company, has been with the Westinghouse organization since September 1909. R. B. Mildon was yesterday elected vice president in charge of marketing, engineering, manufacturing, and service of Westinghouse Electric & Manufacturing Co.

Sales billed by the manufacturing company for the first quarter of 1934 totaled \$17,994,045, compared with \$13,161,721 for the corresponding 1933 quarter, an increase of 36 percent. March sales billed were higher than in any month since April 1932.

Net loss for the quarter was \$1,776,152, compared with \$3,491,572 net loss for the first quarter of 1933. There were approximately 35,300 employees on the company's pay roll at the end of March, compared with 26,500 in March 1933.

"The improvement in business", continues the statement, "is most encouraging, but we would view the future with more optimism if the present restrictions curtailing and almost preventing the use of long-time credit were removed. The business of the Westinghouse Co. consists primarily of durable or capital goods which are paid for in normal times by money obtained by our customers from the sale of securities."

"At the present time little, if any, money is moving into industry from this source, due not only to restrictions on loans but also to a psychology which tends to discourage investment in improvements and betterments."

"It is a strange but significant fact that we are living in an age when any reputable citizen can borrow money with which to buy an automobile, but cannot borrow money with which to buy or build a home. Such conditions are abnormal. It is our opinion that credit conditions would greatly improve if the legislation affecting the sale and marketing of securities were handled in a manner conducive to stimulating the flow of credit from savings institutions to legitimate borrowings."

SCRIP GOING OUT OF USE IN IOWA—EASIER CONDITIONS LESSEN DEMAND FOR PAPER

DES MOINES, May 5.—Scrip, recognized by State legislation as depression money, is rapidly going out of circulation in Iowa.

Real cash from Federal C.W.A. and P.W.A. sources and improving business indexes apparently have lessened desire for the paper certificates.

The little northwest Iowa town of Hawarden, which stirred up an international flurry among economists with its first \$300 scrip issue, has retired all of it at no cost. In Des Moines, county officials have likewise retired most of a \$100,000 scrip issue.

[From the New York Times, Apr. 19, 1934]

"STEEL RATE AT 52 PERCENT, BEST SINCE AUGUST—HEAVY BOOKINGS, WITH HIGHER PRICES NEAR, MAKE GOOD OUTLOOK," SAYS IRON AGE—RAILROADS' ORDERS RISE—CONFUSION ON QUOTATION RESULTS FROM CONFLICTING VIEWS AMONG THE PRODUCERS

Production of raw steel has been increased this week to 52 percent of capacity, compared with 49½ percent a week ago. The present rate is the highest since the middle of last August. "Iron and steel makers", says the Iron Age, "are heavily booked for the second quarter, and with higher prices about to go into effect on most products the outlook in the industry is most favorable."

The review of this publication continues, in part, as follows: "Some mills have such heavy commitments that they will be pressed to turn out the tonnage if buyers specify fully against

their contracts. To prevent an accumulation of releases toward the end of the quarter a number of producers are already pressing their customers for shipping instructions. Under the most popular form of contract, buyers are required to order out material in approximately equal monthly quantities.

CONSUMERS ATTEMPT TO STOCK UP

"The anxiety of the mills to obtain releases is matched by the desire of most buyers to build up maximum stocks of materials at preadvance prices. Without doubt much of the pig iron and steel that will be made in the next 3 months will supply buyers' needs part way through the third quarter, barring a further acceleration of industrial activity.

"The increase in business coming from regular contract sources has been augmented by heavier releases from the railroads. Orders for car material are growing in number and tonnage, and purchases of track material have been large. Rail contracts placed in the final week before the expiration of the code provision permitting deliveries until August 31 called for 75,250 tons.

"The New Haven closed for 25,000 tons, the Baltimore & Ohio for 35,000, the Norfolk & Western for 10,000, the Maine Central for 4,200, and the Pere Marquette for 1,050. Total purchases since Transportation Coordinator Eastman first proposed Government financial aid amount to 627,000 tons, compared with his original estimate of 850,000. Only one large prospective order remains unplaced—35,000 tons for the Chesapeake & Ohio.

OPERATIONS RISE IN ALL DISTRICTS

"Operations are up 4 points to 54 percent at Chicago, 3 points to 40 percent at Pittsburgh, 3 points to 59 percent in the valleys, 2 points to 60 percent at Cleveland, 5 points to 59 percent at Buffalo, and 2 points to 70 percent in the Wheeling district. The Detroit rate continues at 100 percent, the average for the Philadelphia territory at 40 percent, and that for the South at 54 percent.

"Price advances are slow in taking effect. Under the code a price at a given basing point is considered effective until it is withdrawn. Since various producers have delayed following the lead of mills that first announced advances, the effective dates for price changes have been moved ahead, in some instances until next week. Part of the confusion growing out of the advances has been due to conflicting views of the mills."

STEEL BOOKINGS RISE—BUSINESS IN YOUNGSTOWN AREA THIS MONTH 23 PERCENT AHEAD OF 1933

YOUNGSTOWN, OHIO, April 18.—Steel bookings by district producers for the first half of April are 23 percent higher than for the corresponding period in April 1933, sales managers advise.

The Youngstown Sheet & Tube Co. on Monday of this week received a larger volume of pipe orders than for any day in 3 years. Most of this tonnage is coming from jobbers who are building up their stocks in anticipation of larger consumer demand.

Both Republic Steel Corporation and Youngstown Sheet Tube have advanced pipe prices an average of \$7 per ton. This action is expected to drive in considerable tonnage before April 24, when the increase becomes effective.

[From the Washington Star, Apr. 25, 1934]

BIG GAINS SHOWN IN STEEL PROFITS—FOUR COMPANIES ALL REPORT STRIKING INCREASES OVER TOTALS YEAR AGO

NEW YORK, April 25.—Several steel companies, reporting their earnings for the first quarter of 1934 yesterday, showed striking gains over the comparable period of 1933.

Most companies showed better earnings than in the fourth quarter of last year but, with one exception, none of them did as well as in the third quarter of 1933, which included the sharp but short-lived summer boomlet.

The Inland Steel Co. reported first quarter net profit of \$1,104,537, compared with net profit \$529,373 in the preceding period, and a net loss of \$1,012,053 in the corresponding period of 1933. It actually did better than in the September quarter of last year, when net of \$623,612 was reported.

The United States Steel Corporation reported a net deficit of \$6,989,965, compared with a deficit of \$7,945,445 in the preceding quarter, and of \$16,730,271 in the first quarter of 1933. In the third quarter of 1933 United States Steel's net deficit was only \$2,717,014.

The Republic Steel Corporation reported a net loss of only \$58,682 for the first quarter, compared with a loss of \$1,268,472 in the preceding 3-month period, and a loss of \$2,521,568 in the like period of last year. In the third quarter of last year, however, the company showed net income of \$148,239.

Jones & Laughlin Steel Corporation reported March quarter net loss of \$1,924,524, or somewhat less than in the like period of last year, when the loss was \$2,060,645. Its first quarter loss was larger than in either of the two preceding quarters, however. In the December quarter it was \$626,418, and in the September quarter, \$997,133.

FASTER PACE SET AT STEEL PLANTS—PRODUCTION JUMPS FOUR POINTS TO 56 PERCENT OF CAPACITY MARK

NEW YORK, April 25.—Steel production has jumped four points to 56 percent of capacity, and another week promises to put the rate above the 59-percent level of last July, which was the 1933 top, Iron Age says.

Increasing specifications against low-priced contracts have brought such a heavy rush in some products that mills fear they

will not be able to clear their books by the end of the quarter, as required by the code, the review states.

"Recognizing the possibility of excessive pressure on the mills for shipments in June, an increasing number of consumers are anticipating their requirements. In other cases mills are now rolling material prior to the receipt of actual shipping orders.

"The rush to accumulate tonnage on the part of consumers is, no doubt, prompted in part by speculative motives. Besides the impetus that buying has received from recent price advances, the fear of railroad labor trouble and consequent hampering of transportation has also been a factor.

"The accelerating movement of material from producers to consumers has been sweeping in scope. May and June shipments of pig iron will be the largest in fully 2 years.

"The only developments out of step with the pronounced upward trend of business are a fresh outbreak of labor trouble in the automobile industry and further weakness in scrap prices."

The Iron Age scrap composite price has fallen to \$12.42 a ton from \$12.58 a week ago due to recessions at Pittsburgh and Chicago.

WRIGLEY NET IS \$1,875,956

CHICAGO, April 25.—The William Wrigley, Jr., Co., manufacturers of chewing gum, reported net profit, after deducting taxes, of \$1,875,956 for the 3 months ended March 31.

[From the New York Times, Sunday, Apr. 22, 1934]

GAINS CONTINUING IN BUSINESS LINES—RETAIL TRADE REPORTED MOVING ACCORDING TO THE SEASON IN MOST CITIES—SALES OF AUTOS HOLD UP—STEEL INDUSTRY OPERATING AT HIGH RATE—CONDITIONS IN FEDERAL RESERVE DISTRICTS

Reports from most of the leading cities throughout the country continue to indicate rising activity and improving economic conditions, although there is occasional reference to post-Easter dullness.

Retail trade, as a whole, appears to be moving in accordance with seasonal trends. Summer wear is constituting the bulk of the department-store business, with demand for such heavier goods as furniture tapering off. There is also a good demand for paints, varnishes, and other requisites of seasonal household rejuvenation.

Sales in the automobile industry are still running at a high level, and manufacturers appear confident that they will be able to get over the bump of increased prices soon. There was some fear that the public might resist the higher prices, but that fear has vanished.

Larger shipments to automobile manufacturers, coupled with an improved volume of buying by railroads and equipment manufacturers and better structural activity, once again pushed the rate of steel-mill operations to the highest level since last July well above 50 percent of capacity.

WHOLESALE GOOD HERE—BUT RETAIL TRADE IS CHECKED BY WEATHER CONDITIONS

Weather conditions continued to exert a restrictive influence on retail trade here last week. Women's apparel and accessory departments made a better showing than in the previous week, but a slower pace developed in home furnishings. Indications are that dollar sales volume for the month thus far is about 4 to 5 percent less than in the same period a year ago, inclusive of liquor sales.

Activity in the major wholesale lines was well maintained, with merchandise for the summer season in strong request. The call for millinery was particularly heavy. Activity in the dress trade was curbed by the contractors' stoppage. The demand for grocery specialties and other foodstuffs was good. Prospects of further price increases stimulated buying of rugs. Furniture lines were quiet.

Retail sales of automobiles continued notably good. Building material lines showed increased effects of the public-works program, while the call for hardware and paints for spring refurbishing of homes was described as much ahead of a year ago.

In preparation for National Cotton Week, retailers placed a heavy volume of orders for cottons of all types. The silk and rayon markets were featureless.

Security prices were improved, largely as a result of a good rally on Friday. There had been some unsettlement on the preceding days because of weakness in the commodities, which also disappeared at the end of the week. Bonds advanced in all classifications except United States Governments, which were easy. The dollar dropped below the new parity with the franc. Bank clearings were at an unusually high level.

CLIMB IN PHILADELPHIA—PICK-UP IN INDUSTRIES, RETAIL SALES, AND BANK CLEARINGS

PHILADELPHIA, April 20.—Latest reports for the first quarter in this district indicate an increase in factory employment and a greater volume of products. Monthly progress has been made this year by many corporations, despite labor troubles.

The second quarter has started auspiciously in such industries as iron and steel, storage batteries, oil and gasoline, which report profits instead of heavy losses sustained last year. Moderate improvement is shown in the cotton, wool, and leather industries. Car loadings have increased.

There are numerous inquiries for New Jersey seashore properties for summer use.

The current week's large bank clearings are taken to reflect the improved condition of the district.

Owing to the increase in retail sales, local department stores are reporting profits instead of losses such as some important houses suffered last year.

Another indication of improvement is a shrinkage in the volume of sheriff sales, partly ascribed to the active work of the Home Owners' Loan Corporation. Real-estate transactions are more numerous, but work is largely centered in alterations.

For the first 2 months this year deposits of the Philadelphia Saving Fund Society increased \$2,171,400 to \$313,764,605. Among the 69,215 new depositors are 11,175 wage earners, 5,175 salaried employees, and 13,911 female wage earners, of whom 10,100 are wives of wage earners. In 1933 there was a \$7,690,000 decrease.

NEW ENGLAND KEEPS GAINS—COTTON MILLS ARE FAIRLY ACTIVE—BUILDING CONTRACTS SPURT

BOSTON, April 20.—Industrial activity in New England is being maintained in general at about the same rate as in recent weeks. Cotton mills are fairly active. The industry as a whole has been in receipt of substantial additional orders during the last fortnight.

The woolen and worsted end of the textile industry is quiet. The better grades of worsteds have encountered distinct sales resistance. The local wool market is dead, but prices are being fairly well maintained; tops have been sagging lately.

The leather market here is strong, and buying is fairly active; shoe manufacturers are doing well for this season of the year.

Retail trade is fair; sales of furniture have been reported much improved of late. There has been a considerable increase in demand for electrical appliances.

Metal and machine plants are somewhat more active.

New building contracts for last week were the largest in some months.

CHICAGO RECORDS GAINS—WHOLESALESA REPORT UNEXPECTEDLY HIGH SALES—JOBS INCREASE

CHICAGO, April 20.—Although retail trade in the Middle West has gone below the pre-Easter totals, wholesalers reported unexpectedly high sales totals in the week just ended. Women's ready-to-wear and textile items moved in the biggest volume. Local dry-goods houses attributed the better than normal activity to restocking in preparation for May, which is always a big retail sales month.

The State Street department-store sales were reported averaging about 35 percent above last April. Sales of a large mail-order house through its retail outlets increased sharply in response to a well-advertised feature week.

Building continues to improve.

Employment is showing small increases in the State, contrary to the seasonal trend.

Steadily increasing steel orders promise an increase over the 54 percent local ingot operating ratio. Sales of a large iron jobbing company, it was announced, were nearly double those of the first quarter of 1933.

CLEVELAND ACTIVITY RISES—PRICE JUMP BRINGS WAVE OF STEEL BUYING—DRUG SALES INCREASE

CLEVELAND, April 20.—Industrial activity in this section continues to increase. The advance in steel prices has brought a wave of buying in anticipation of future needs.

Commercial failures in the area were down 72 percent in March as compared with March 1933, and in the first quarter when the drop from the 1932 period was 71 percent.

Dollar value of wholesale drug sales in the district in March was 70 percent larger than a year ago and the increase in the first quarter was 47 percent. Liquor sales were a factor in the increase.

Savings deposits at selected banks increased about 1 percent in March and at the month end were 2.1 percent larger than a year ago.

ST. LOUIS ACTIVITY LIVENS—SMALL INDUSTRIES SPEED UP, SHOE PLANTS BUSY, RETAIL TRADE BRISK

St. Louis, Mo., April 20.—The starting of the furnaces in the American Steel foundries plant this week, recalling of a large number of workmen, was regarded as a striking illustration of the improvement in the eighth Federal Reserve district.

Shoe plants are busy and most of them are on full schedules. Reports from numerous small enterprises indicate a steady speeding up. Retail trade shows wide gains over last year and wholesale houses have satisfactory orders.

The banking situation is clearing up. A large bank has moved into new quarters and throughout the district there are frequent reports of openings.

Bank clearings are well ahead of last year and compare favorably with the year before.

Carloadings of southwestern lines gain over the previous week, from present indications, and are far ahead of last year's totals. Reports indicate a steady reduction in unemployment.

Real-estate dealers state that the supply of rental property is rapidly decreasing and a building revival is in prospect.

Farm-product prices are steadily advancing.

Zinc and lead quotations are at fair levels and most properties are being operated.

KANSAS CITY BUYING RISES—RETAIL TRADE IMPROVES AND WHOLESALE LINES HOLD WELL

KANSAS CITY, April 20.—Retail trade in the tenth district improved over last week and wholesaler lines held up well, with the possible exception of fall clothing and furniture. The weekly statement of the Federal Reserve bank showed the first increase since March 7 in total reserves. The total had shrunk \$20,000,000. The increase of \$12,000,000 brought the total to \$174,000,000. This is \$50,000,000 above the figure for a year ago.

Bills discounted showed a decrease of \$40,000, but the continuous accumulative losses since the first of the year amounted to \$1,250,000 and since a year ago nearly \$21,000,000. The total was only \$267,000.

The reserve ratio rose a point to 65, compared with 60.5 a year ago. Total clearings through the bank were \$174,500,000, a gain of \$18,000,000 over the preceding week and of \$44,000,000 over a year ago.

ATLANTA BUSINESS BOOMS—DEPARTMENT-STORE SALES HIGHEST SINCE 1930—MANY LINES GAIN

ATLANTA, April 20.—General business conditions in the sixth Federal Reserve district continued on the upswing.

The volume of department-store business was about 40 to 50 percent greater than that for the 1933 week and considerably above that for any similar time since 1930.

Construction activity was brisk, with the awarding of new contracts showing only a slight let-down.

Further increases in pay rolls and lessening of relief rolls were reported.

Sales of furniture, automobiles, and building materials have exceeded expectations in recent weeks, according to a majority of leading dealers, and demands indicate increased activity in these lines.

N.Y. CENTRAL PROFITS JUMP IN FIRST QUARTER—NET OPERATING INCOME UP TO \$8,211,195, AGAINST \$3,365,067, WITH RISE IN MARCH EVEN SHARPER—GAINS OF 14 ROADS ABRUPT LAST MONTH—EARNINGS SHOW ADVANCE OF 204.4 PERCENT OVER 1933; GROSS ONLY 35 PERCENT HIGHER

The New York Central Railroad Co. reports net operating income for the first quarter of 1934 of \$8,211,195, compared with \$3,536,067 for the corresponding period of 1933. Gross revenues of the system for the quarter amounted to \$75,532,887, compared with \$62,189,249.

March net operating income of the system was \$4,391,085, compared with \$961,089 for the like month of 1933. Gross revenues for the month totaled \$27,965,563, compared with \$19,837,959.

Operating ratio lower

Operating expenses for the quarter were \$56,253,325, compared with \$47,987,258. March operating expenses were \$19,846,446, compared with \$15,456,854. Operating ratio of the system for the quarter was 74.5 percent, compared with 77.2 percent. March operating ratio was 71 percent, compared with 77.9 percent.

The first 14 railroads to report March net operating income had an aggregate of \$14,920,000, compared with net operating income in March 1933, of \$4,902,000, an increase of 204.4 percent. Gross earnings of the same roads in March amounted to \$68,421,000, compared with \$50,454,000, an increase of 35.6 percent.

March net far above February

In February the same carriers had net operating income of \$10,034,000 and gross revenues of \$58,583,000. March net operating income of these roads was 48.7 percent above the preceding month, and gross revenues were 16.8 percent above those reported for February.

Earnings reports of individual carriers follow:

	1934	1933
Ann Arbor Railroad:		
March gross.....	\$278,271	\$232,494
Net operating income.....	40,269	1,430
3 months' gross.....	773,631	645,978
Net operating income.....	63,008	138,571
Central Railroad of New Jersey:		
February net income ¹	115,803	3,250
2 months' net income ¹	394,848	183,328
Delaware & Hudson R.R. Corporation:		
March gross.....	2,275,593	1,626,971
Net operating income.....	358,991	139,913
3 months' gross.....	6,451,372	4,850,462
Net operating income.....	\$11,520	148,764
Gulf Coast Lines:		
March gross.....	1,020,748	682,284
Net operating income.....	173,016	14,414
3 months' gross.....	2,794,969	2,193,598
Net operating income.....	495,363	129,527
Gulf, Mobile & Northern R.R.:		
February net loss ²	49,033	91,143
2 months' net loss ²	65,871	170,434
Minneapolis, St. Paul & Sault Ste. Marie:		
March gross.....	913,960	765,719
Deficit after charges.....	603,014	674,807
3 months' gross.....	2,643,782	2,216,736
Deficit after charges.....	1,735,818	2,073,749
Missouri-Kansas-Texas Lines:		
March gross.....	2,116,222	1,652,518
Balance before interest.....	731	167,069
Interest, fixed charges.....	347,375	347,796
Adjusted bond interest.....	56,573	56,573
Net loss.....	403,217	571,438
3 months' gross.....	6,201,544	5,119,219
Balance before interest.....	98,187	140,263
Interest, fixed charges.....	1,032,337	1,043,598
Adjusted bond interest.....	169,719	169,719
Net loss.....	1,113,869	1,615,581
Missouri Pacific R.R.:		
March gross.....	6,436,808	4,624,681
Net operating income.....	854,590	80,632
3 months' gross.....	17,648,071	14,349,526
Net operating income.....	1,970,873	583,341

Footnotes at end of table.

	1934	1933
New York, New Haven & Hartford:		
March gross.....	\$6,607,206	\$5,025,082
Net operating railway income.....	873,639	157,452
Net income.....	147,306	1880,206
3 months' gross.....	18,099,731	15,196,923
Net railway operating income.....	1,761,467	755,171
Net loss.....	1,094,777	2,369,599

	Dec. 31, 1933	Dec. 31, 1932
New York, Ontario & Western assets:		
Road and equipment.....	\$87,941,562	\$87,691,987
Improved leased property.....	830,949	815,051
Other investments.....	11,801,585	11,375,510
Current assets.....	2,500,440	1,949,287
Deferred assets.....	169,227	169,253
Unadjusted debits.....	473,685	497,169
Total.....	103,717,448	102,498,257
New York, Ontario & Western liabilities:		
Capital stock.....	58,117,983	58,117,983
Funded debt.....	29,990,793	30,129,850
Current liabilities.....	2,877,882	2,222,241
Deferred liabilities.....	8,017	7,734
Accrued depreciation.....	4,540,272	4,307,704
Unadjusted credits.....	378,740	193,295
Approximate surplus.....	80,532	78,809
Profit-and-loss surplus.....	7,723,229	7,440,641
Total.....	103,717,448	102,498,257

	1934	1933
Rutland R.R.:		
March gross.....	\$291,288	\$255,351
Net operating income.....	14,933	10,084
3 months' gross.....	800,973	737,877
Net operating income.....	139,416	110,870
St. Louis-San Francisco Ry. system:		
March gross.....	3,574,907	2,954,701
Net operating income.....	307,527	139,685
Balance for interest.....	340,061	191,220
3 months' gross.....	10,342,129	8,940,305
Net operating income.....	900,501	1340,136
Balance for interest.....	1,001,622	1233,049
Wabash Railway:		
March gross.....	3,515,272	2,690,262
Net operating income.....	603,010	164,907
3 months' gross.....	9,464,704	8,006,576
Net operating income.....	1,140,043	1501,624
Western Pacific R.R. Co.:		
March net loss.....	165,000	841,199
3 months' net loss.....	620,000	1,069,231
Wheeling & Lake Erie Ry.:		
March gross.....	1,121,720	579,712
Net operating income.....	262,979	118,146
3 months' gross.....	2,898,262	1,940,694
Net operating income.....	570,174	113,193

¹ Deficit.

² After taxes and charges.

³ Loss.

⁴ Before guaranties on separately operated properties.

WESTERN PACIFIC

The annual report of the Western Pacific Railroad Co. reveals that there are three notes outstanding in favor of the A. C. James Co. totaling \$4,999,800. As security for the loans the railroad has pledged \$6,249,500 general and refunding mortgage bonds.

The loan of \$1,303,000 obtained by the railroad from the Railroad Credit Corporation has been reduced \$22,699 through the application of distribution and tax refunds of the road and subsidiary companies, leaving a balance due of \$1,280,300. During 1933 the railroad deposited \$58,653 with the corporation, representing revenues accruing from emergency freight rates.

Western Pacific Railroad Corporation reports net income for 1933 of \$607,594 compared with \$803,128 in 1932. Combined statement of the corporation and subsidiaries shows net deficit for 1933 of \$2,833,277 compared with \$3,002,423 in 1932.

[From the Allentown (Pa.) Call, Apr. 17, 1934]

ADVERTISING EVIDENCE OF BUSINESS UPTURN

Continuing reports indicate upward swing in American business and sound hopeful notes for spring and summer improvement that will be most substantial.

Dun & Bradstreet report that 226 business failures throughout the United States during the week ending April 5 was the smallest number for any 1 week since the year 1920. In the same week a year before there were 418.

But the millions of readers of that popular magazine the Saturday Evening Post recently had presented to them the most satisfactory and most concrete evidence possible of the upturn. That magazine a week ago was the most bulky affair that it has been

in 2 years. It was so because advertising by national concerns which use it as a medium for publicity had very substantially increased. In fact, the increase was about 70 percent over the best earlier issues.

But the spurt is noted not only by the Post but also by its brethren, the Ladies' Home Journal and the Country Gentleman. All reflect increased national business, and the story is brought home to every reader or handler of those magazines.

[From the Fort Wayne (Ind.) News-Sentinel, May 15, 1934]

BOOST PAY IN WABASH PLANT—INCREASES OF 10 AND 5 PERCENT ANNOUNCED—MOVE TO AFFECT 225—MONTHLY PAY ROLL \$1,400 HIGHER

WABASH, IND., May 15.—Lowell E. Longstreth, manager of the plant here of the Container Corporation of America, today announced a 10-percent wage increase for all workers getting 49 cents an hour or less and a 5-percent increase in wages for those receiving 50 cents an hour or more.

The increase will affect 225 workers in the plant, and will add approximately \$1,400 to the monthly pay roll.

Previously the workers were paid the code scale of 38 cents an hour for men and 30 cents an hour for women. The increase makes a minimum of 44 cents an hour for men and 33 cents for women.

Longstreth said the increase is general in all places where the company operates plants, and brings wages in each plant up to the average wage in the territory served.

[From the Milwaukee (Wis.) Leader, May 14, 1934]

FACTORY JOBS SHOW INCREASE IN WISCONSIN

The volume of factory employment in Wisconsin is now larger than for any month since July 1931 except for September and October last fall, according to a report by the industrial commission of Wisconsin.

Other outstanding facts in the report follow:

PAY ROLLS SHOW INCREASE

"A preliminary tabulation of the pay-roll reports received from 1,066 factories in Wisconsin shows that the number of employees on pay rolls increased 2.7 percent and the aggregate amount of such pay rolls increased 3 percent between March 15 and April 15, 1934. The 1,066 reporting factories referred to above accounted for a total of 109,266 employees and a total of \$2,066,606 of pay roll in 1 week of April 1934.

"Factory employment in Wisconsin is definitely on the increase. The gains appear in more employees on pay rolls, employees averaging more hours of work per week, employees getting larger weekly earnings, and industrial plants operating more hours per week.

"In Milwaukee County a group of 367 identical factories had 47,328 employees on March 15 of this year, as against 33,752 employees on March 15 last year. The operating time of these 367 identical factories has increased 3.6 percent over a year ago, while the number of persons employed by them has been increased by 40.2 percent.

AVERAGE WAGE \$18.45

"Factory employees averaged \$18.45 per week during March 1934, in comparison with \$13.24 in March 1933, \$17.47 in March 1932, \$22.69 in March 1931, \$25.75 in March 1930, and \$26.95 in March 1929.

"Present earnings are higher than for any month since August 1931."

[From the Chattanooga (Tenn.) News, May 17, 1934]

UTILITY FIRMS HERE REPORT SUBSTANTIAL GAINS IN BUSINESS—POWER OUTPUT FOR APRIL 40 PERCENT GREATER THAN 1933 MONTHLY AVERAGE—GAS USE INCREASES—MORE TELEPHONE AND WATER CONNECTIONS MADE REFLECT IMPROVEMENT HERE

Substantial improvement in conditions in Chattanooga is reflected in the records of the utility companies which supply electricity, gas, water, and telephone service here. The companies find that a number of new customers have been added to their books, and in the case of several of the companies the use of the service has been greater.

The Chattanooga Gas Co., for example, for the period from May 1 to May 15, added 178 customers, Manager A. J. Goss said Thursday. April, with one exception, was the biggest month from the standpoint of new customers of any month in the past 15 years. For the first 4 months of the year, with exception of one period, was the best in 15 years, he said.

POWER OUTPUT GAINS

The power output, domestic and industrial, by the Tennessee Electric Power Co. for the Chattanooga district during April showed an increase of approximately 40 percent as compared to the monthly average for 1933, J. A. Longley, vice president and general manager of the power company, said. Mr. Longley did not compare April with April of last year for the reason that April 1933 was an abnormally low month, and a comparison would hardly give an accurate picture.

During the year ending with April, domestic customers of the power company here increased the use of current by an average of 107 kilowatts. They used on an average of 16 percent more current, for which they paid \$6 less. The average price fell from 5.59 cents per kilowatt-hour to 4.05 cents per kilowatt.

During the first four and a half months of the year there was a net increase in the number of telephones in service here of 628, L. L. Billups, local manager of the Southern Bell, announced. The net increases by months were as follows: January, 165; February, 115, March, 129; April, 135; and through May 15, 84. The increasing number of subscribers to telephone and gas service and the increasing use of electricity strikingly reflect the better financial condition of the people.

TELEPHONES RESTORED

Chattanoogaans who had their telephones taken out when they felt the pinch of the depression are now having them restored. Families "doubling up" are moving into homes and apartments of their own, with the result that the number of vacant houses is rapidly diminishing and there are few vacant desirable moderately priced homes and apartments, real-estate men report.

Records of the City Water Co. also reflected gains. Since the first of the year 53 new services have been connected to the system. Of these, 27 represent new services where there were two or more houses or apartments on the same meter. The remaining 26 installations represent new homes and businesses of various kinds.

Manager Goss, of the gas company, attributed the increase in the number of gas customers to two things—the new lower rates and general improvement in conditions. In April the domestic and commercial gas consumption ran ahead of last year, although the industrial consumption showed a slight reduction.

[From the Buffalo (N.Y.) Courier Express, May 16, 1934]

EMPLOYMENT, PAY ROLLS HERE RISE STEADILY—FIGURES FOR BUFFALO FAR ABOVE GENERAL AVERAGES FOR ENTIRE STATE

Employment in New York State factories increased 1.4 percent from the middle of March to the middle of April, continuing the upward movement apparent during the previous 2 months, according to a statement issued yesterday by State Industrial Commissioner Elmer F. Andrews. Total wage payments showed a rise of 1.2 percent during the same period. These gains raised the State labor department's index number of factory employment to 73.2, the highest point reached since September 1931, and the index of total factory pay rolls to 59, the highest level since November 1931.

Compared with a year ago, employment and pay rolls during the middle of April were 32.4 percent and 47.1 percent greater, respectively. The normal seasonal course of employment and pay rolls is downward during April.

METAL AND MACHINERY GROUPS GAIN

The metal and machinery groups continued to record sharp gains in employment, with reporting manufacturers adding 5,828 persons to their working forces, a gain of 5.4 percent over March. The slowing up of manufacturing for the spring and summer trade was reflected in reports from the clothing and millinery industry group. Reporting concerns were operating with 1,225 fewer persons in April than in March, a decrease of nearly 2.5 percent. Employment gains in the textile industry continued to be registered during April, due principally to further large increases at knit-goods mills. For all textiles combined, the rise in employment amounted to about 1 percent. Many industries in the food and tobacco group had larger working forces in April than in March, but reductions in a few divisions caused the group as a whole to show a net loss of 1.2 percent.

Factory employment and pay rolls in the Buffalo area continued to show increases during the period from the middle of March to the middle of April. The number of persons employed rose 5.3 percent and wage payments increased 8.3 percent, advancing the index numbers, which are computed with the averages for the 3 years 1925-27 taken as 100, to 71.5 for employment and 56.7 for pay rolls. Compared with a year ago, employment and pay rolls this April were approximately 60 percent and 85 percent greater, respectively. Average weekly earnings were \$24.53 this month, against \$23.85 in March and \$21.02 a year ago.

The principal gains again were registered in the metal industries. In the metal group as a whole, reporting firms added 2,780 persons to their working forces, and paid out nearly 17 percent more in weekly wages than in March. The automotive division, which had reported a sharp decline last month, showed the largest gains this month, increasing employment and pay rolls to approximately one and one half times the March figures. Pig iron and steel plants and railroad equipment and repair shops again showed substantial increases. Smaller gains occurred in brass, copper, and aluminum, and sheet-metal and hardware concerns. Makers of heating apparatus and of machinery were slowing up operations somewhat and were letting go help.

Increases in employment and pay rolls were reported by the stone, clay and glass, leather and rubber products, and printing groups. Textile mills, water, light, and power plants, and food-products concerns had about the same number of employees as in March, but paid out more in wages. Manufacturers of wood products, paper and paper goods, and clothing showed reductions both in working forces and in pay rolls. The chemicals-and-oils group suffered sharp losses, due almost entirely to curtailment in a large plant.

The report of the Buffalo office follows:

	April 1934	March 1934	April 1933
Number of—			
Applications for work.....	5,135	18,986	5,234
Openings.....	1,613	1,113	751
Workers placed.....	1,022	1,037	613
Applications for work for each 100 workers placed	318	1,705	696

¹ Revision to active reinstatement of C.W.A. workers.

² The unusual difference between openings and placements is due to the fact that many referrals to public-works openings have not been verified as placements.

[From the Chicago (Ill.) Herald and Examiner, Apr. 14, 1934]

BUSINESS GAINS CONTINUE, DUN REPORT SHOWS—AGENCY SURVEY FINDS SENTIMENT AGAINST RESTRICTIONS—RETAIL SALES AT NEW PEAK

Reports from every part of the country during the past week brought uniform proof of a further definite upswing in business and industry, the Dun & Bradstreet Trade Review said yesterday. The review commented:

"While full credit is accorded the emergency legislation enacted last year for the wholesome betterment provided by the strong foundation laid for business recovery as well as for the strengthening of the Nation's banking structure, considerable stress is now being placed on the need for allowing the forward movement to proceed unhampered by new and unnecessary restrictions."

VOLUME ADVANCES

Regarding the movement of retail trade, the Review asserted:

"Almost without exception, leading retailers of the country find that the tapering off in business, which usually is apparent after Easter, has not developed, as volume last Saturday in some centers was the heaviest for any single day in 3 years, with the gain reaching 40 to 50 percent over the comparable period last year when Easter buying was at its peak.

"As the month advances gains will become larger, as spring requirements have been covered only partially thus far, and the larger income of workers, when compared with a year ago, will carry the totals to more advanced levels than appeared likely a month ago.

OPERATING SCHEDULES RISE

"In the industrial divisions, operating schedules are rising at a more rapid rate than they did in March, unaffected to any major degree by the labor difficulties still unsettled in some districts.

"The leading wholesale markets became unexpectedly active this week, as many buyers were forced to replenish spring goods, which had been ordered too sparingly."

The volume was not composed entirely of fill-in requirements, however, as many new orders were placed for merchandise needed during the next 2 weeks, the agency said.

[From the Detroit (Mich.) Free Press, May 20, 1934]

FIGURES PROVE RECOVERY HERE—NEW DIRECTORY SHOWS BUSINESS GAINS

A "Dynamic City" definitely on the way to economic recovery is reflected in R. L. Polk & Co.'s 1934 Detroit City Directory, now off the press and being delivered to subscribers. Gains in population, gains in diversity of activities, gains in employment, and gains in numerous other angles of the city's life were encountered in the drive for directory data, the publishers said:

"In its 2,440 pages the directory lists 760,912 names, as against the 734,856 represented in the 1932-33 edition. The eligibility age limit for listing in the directory, 17, was maintained."

For the first time since the 1930 United States census, the Polk organization estimates the population of the area covered by the directory, placing it at 1,624,527. This takes in Detroit, Highland Park, Hamtramck, the Grosse Pointe communities, and Lochmoor. The publishers declined to say how much of an increase from the ebb tide of population during early 1933 this represents, but ventured the opinion that the recovery has been large.

Significant among the observations of the Polk Co. on their directory canvass were:

Longer pay-roll lists at industries than for several years past.

Thousands of reoccupied stores, offices, homes, and apartments, with a vast reduction in vacant property and a decided reversal of the doubling-up tendency of depression days.

A marked revival of hope and morale on the part of housewives interviewed, and a forward-looking feeling among business men of all classes.

A wide-spread effect in industry and trade from repeal of the eighteenth amendment.

Reconditioning and modernization of homes under the Government loan plans.

Glancing over the directory one may note the new addresses of Government offices in the Federal Building; the frequency of the occupation "bartender", gone for these many years; and the return of brewing and distilling classifications and terminology in the classified and advertising sections.

[From the Bridgeport (Conn.) Post, May 11, 1934]

APRIL PAY ROLL HIGHEST IN YEARS—UP 7.18 PERCENT FROM MARCH AND 77.18 PERCENT FROM 1933 MONTH

The greatest increase in years is noted in the average weekly pay roll for April for the city, according to figures gathered by the chamber of commerce from the banks making up the pay lists for the commercial and industrial concerns of the city. The weekly pay roll was \$768,615, against \$717,079 for March, an increase of 7.18 percent. The April 1933 pay roll was \$433,781, showing a 77.18 percent increase.

The report today also shows a gain of 4.73 percent in postal receipts, a gain of 31.86 percent in bank debits, a gain of 67.27 percent in bank clearings, a gain of 4.20 percent in gas consumption, and a gain of 37.81 percent in electrical consumption—all indicate improved conditions.

The actual figures for these items for April of this year and April of last year, respectively, are:

Postal receipts \$75,813, against \$72,388; bank debits \$41,019,717, against \$31,108,109; bank clearings \$3,422,846, against \$5,035,405; gas consumption 88,517,000 cubic feet, against 84,944,900 cubic feet; and electrical consumption 12,391,000 kilowatt-hours, against 8,991,000 kilowatt-hours.

[From the Star, Minneapolis, Minn., May 16, 1934]

REPORT REFLECTS EMPLOYMENT GAIN

Increased activity in private industry and Public Works projects is reflected in the April report of the National Reemployment Service in Minnesota, issued today by Dreng Bjornaraa, State director.

Placements for the month numbered 15,074, of whom 13,490 were men and 1,584 women. The report included 3,929 placements on C.W.A., R.W.A., and E.R.A.; 2,752 with P.W.A. and 8,393 with private employers and local governmental units.

Veterans with dependents are given preference on Public Works projects, and 1,532 of those placed in April are from this group.

National Reemployment offices serve the State, except for the counties of Hennepin and Ramsey and the city of Duluth. Activities are centered in 12 district offices.

[From the Tulsa (Okla.) World, May 18, 1934]

PLANT MACHINERY HUMS TO OLD TUNE—BRINGS BUSINESS TO OIL WELL IMPROVEMENT CO.

The machinery is humming to the tune of increasing business in the plant of the Oil Well Improvement Co. on the Sand Springs Road, it was reported yesterday. Alf G. Heggem, Tulsa industrialist, is president of the company.

During the depression the plant operated with a skeleton force of about 10 men. Now 40 men are employed there and Heggem stated yesterday that he expects to be employing a total of 100 men within the next 3 weeks.

Orders already received insure a continuous plant operation for an indefinite period, Heggem said.

[From the Harrisburg (Pa.) News, May 18, 1934]

FIFTY-PERCENT CUT IN STATE'S JOBLESS ARMY IN YEAR

Pennsylvania's jobless army was reduced by almost 50 percent in the year from March 1933 to March 1934 the department of labor and industry reported today.

The department's bureau of accounts and statistics reported unemployed persons in the State in March totaled 699,482, as compared with an unemployed total of 1,379,351 a year before.

None of these figures include persons temporarily employed on C.W.A. or works-relief projects.

"The trend of industrial employment in Pennsylvania continued upward in March, registering a 4 percent gain over February," the report continued. "Employment increases were shown for 47 of the 66 industries represented in the survey."

Schuylkill County, the report showed, has the largest percentage of unemployment in relation to working population, the figure being 26.7 percent. Eight other counties where the percentage exceeded 20 were Carbon, Beaver, Northumberland, Allegheny, Washington, Luzerne, Philadelphia, and Westmoreland, most of them coal-producing localities.

[From the Cincinnati (Ohio) Post (Kentucky edition), May 4, 1934]

FOUR HUNDRED AND TWENTY-SEVEN GIVEN JOBS IN PAST MONTH—PLACEMENTS FOR APRIL REPORTED BY LOCAL OFFICE OF RE-EMPLOYMENT SERVICE

There was a total of 427 placements made by the Kenton County office of the National Reemployment Service, Covington, during April, it was stated Friday in the monthly report of the activities of the office, sent to Louisville by Ralph Moser, district manager.

The figures include 225 men working on the P.W.A. road project at Ryland, Mr. Moser said.

"The new district plan of the Reemployment Service has necessitated a complete change in the method of keeping records", Mr. Moser declared. "This has kept the entire force busy and prevents temporarily the usual contracts with business houses and private industries. The clean-up campaign this week had given an added impetus to employment, but these placements, of course, are only temporary."

"The difficulty now lies not in placing laborers and mechanics, but in obtaining openings for the 'white collar' class. Employers

requiring store clerks, salesmen, male and female stenographers, bookkeepers, and clerks are urged to place their orders with this office at 118 West Fifth Street, or phone Hemlock 5241. Competent help is available instantly."

[From the Los Angeles (Calif.) Herald and Express, May 11, 1934]

CALIFORNIA EMPLOYMENT CLIMBS IN APRIL

The number of employees on the pay roll of 1,146 representative manufacturing establishments in California employing more than 60 percent of the State's wage earners totaled 160,964 during April, an increase of 24.6 percent over April last year. During the month aggregate weekly pay rolls of the reporting firms increased 32.4 percent, but the amount of the average weekly pay check gained only 6.3 percent.

Wholesale and retail establishments, not included in the foregoing, reported an increase of 12.1 percent in the number of workers employed during April as compared with April of last year, and the public utilities as a group reported a decline of six tenths of 1 percent in the number of employees.

The telephone and telegraph companies reported a 3.3 percent reduction in number of workers, while the water, light, and power and electric railway and bus operators of the State reported an increase of 2 percent.

Figures on California employment are furnished by the State division of labor statistics.

[From the Salt Lake City (Utah) Tribune, May 11, 1934]

DENVER & RIO GRANDE WESTERN RAILROAD PUTS FORCE TO WORK—RAILROAD EMPLOYS 200 ON MAINTENANCE SINCE MAY 1

Approximately 200 maintenance workers have been employed by the Denver & Rio Grande Western Railroad Co. since May 1, announced A. J. Cronin, assistant traffic manager, Thursday.

One hundred and fifty of the men have been put on in the back shops, for locomotive and other heavy repairs, while two extra gangs of maintenance workers also have been hired, Mr. Cronin said.

"Traffic into Salt Lake is 50 percent greater than for this period last year. It is to take care of this increased traffic and to meet an expected additional increase this fall that we are putting all equipment into first-class condition", he said.

Much heavier traffic is anticipated in Utah fruits and vegetables this year than last, Mr. Cronin said. Larger acreage of vegetables have been planted and the outlook for Utah fruit, last year practically a total failure, appears good, he said.

"Although drought conditions are general throughout the region, according to reports we have received, the season is approximately 1 month advanced over the normal year, and many of the crops are expected to mature before the water supply is used up."

[From the Harrisburg, (Pa.) News, May 21, 1934]

OUT OF THE DEPTHS

Just half as many Pennsylvanians were out of jobs in March of this year as in March a year ago, official figures of the State department of labor and industry show. To many persons who have been accustomed to think that America is still in the depths of the depression, this reduction in unemployment comes as a pleasant shock.

There is only one explanation for this gratifying shrinkage in the army of the unemployed. Times are better. Jobs have been opening up. Industry and business are moving upward. How else can the absorption of 680,000 persons in jobs be interpreted?

Announcement is made that in the reduction of the unemployed from 1,379,351 in March of last year to 699,482 this year persons employed on C.W.A. projects are not included. That means that the ordinary channels of trade took on the unemployed who in March of this year were getting back to their jobs at a 4 percent faster pace than in the preceding month. Increased employment was reported from 47 of 66 industries.

The mere dissemination of such figures ought to be helpful. The American people are beginning to shed their mantles of gloom. The defeatist attitude which slowed up recovery at one time is vanishing. The conviction grows that the country is pretty much out of the marshland and little more is required than a constantly growing conviction that this is true. Such figures as have just been made public are tremendously stimulating.

[From the Hoboken (N.J.) Jersey Observer, May 17, 1934]

JERSEY CITY REPORT SHOWS GAIN IN BUILDING BOOM—FIRST 4 MONTHS OF YEAR FIND CONDITIONS ON ROAD TO RECOVERY—A MARKED INCREASE IN BUILDING OPERATIONS IN JERSEY CITY IS REVEALED BY THE RECORD OF THE BUILDING DEPARTMENT COVERING THE FIRST 4 MONTHS OF THIS YEAR

According to figures released by Superintendent of Buildings Edward A. Spoerer this morning, there is an increase of \$63,115 in cost of building operations over the same period last year.

From January 1 to April 30 last, the estimated cost of new buildings, some completed and others under course of construction, was \$289,728. The amount in 1933 for the same time was \$226,613.

"The increase is an indication that building operations are on an upward trend", stated Superintendent Spoerer. "In addition, our office activities have also increased."

"Jersey City", continued Mr. Spoerer, "enjoys the distinction of being the first city in New Jersey, since the beginning of the year, where an apartment dwelling is being constructed. My authority is the tenement-house commission."

NEW APARTMENTS

"Two apartment houses are in the course of construction at 166-172 Jewett Avenue. The builders are the Unix Holding Co. They are three-story structures and are being erected at an estimated cost of \$80,000. When finished, the dwellings will house 16 families each. Their design and construction are the last word in apartment buildings. Located a short distance from the Hudson Boulevard, the new apartments will be within easy accessibility from every transportation line."

"Another outstanding new structure is the three-story apartment and office building at 902 Bergen Avenue. The finishing touches are being applied. When completed, the building will cost in the neighborhood of \$65,000. The owner is Joseph Ellman, of Jersey City."

"Since January 1", added Mr. Spoerer, "a number of one- and two-story frame and brick dwellings have been erected."

"Many industrial companies and property owners have filed plans for the renovating and altering of their buildings. This is, indeed, a good sign, proving conclusively that real-estate values are bound to increase. People are again displaying confidence. This is evident in the money being expended for the repairing and redecorating of their properties."

HAS COME-BACK

"As a result of the property owners' activities, architects and builders are beginning to be kept busy."

"The time is not far off when building operations and real-estate activities will be on a par with conditions prevalent before the depression."

[From the Toledo (Ohio) Times, May 10, 1934]

2,250,000 SHARE IN PAY ADVANCES—18,000 FIRMS REPORT TO CREDIT BUREAU

More than 2,250,000 workers have shared in wage advances in the last 15 months, it was reported by the Merchants' Credit and Adjustment Bureau in its weekly bulletin to merchants here issued yesterday.

Reports were gleaned from 18,000 firms, and while the reports indicated only 300 were in the group of those receiving increases as of January 1, 1933, the number has risen in the last month.

Most of the companies also earned a fair profit in the same period.

Merchants figure this movement has greatly expanded purchasing power and restored confidence to workers.

[From the Springfield (Ohio) News-Sun, May 13, 1934]

IMPROVEMENT IN BUSINESS SHOWN—SPRINGFIELD WORKS OF OLIVER CO. HAS SUBSTANTIAL GAIN

Substantial increase in the business of the Springfield works of the Oliver Farm Equipment Co. in recent months was reported Saturday by E. B. McDonald, plant manager. During April, Mr. McDonald said, the local works employed more persons than at any other one time since 1930.

While some seasonal decline during May prior to the annual inventory period, starting June 1, is anticipated, "there is every reason", Mr. McDonald said, "to anticipate that the Springfield plant will enjoy an even better fall and winter this year than was the case last year."

Mr. McDonald's statement was as follows:

"The Springfield works of the Oliver Farm Equipment Co. has experienced a substantial increase in business during recent months. The peak was reached during the month of April, just prior to the spring seeding season, and at that time, according to company officials, there were more people employed at the Springfield works than at any other one time since early in 1930."

"In accordance with usual yearly trends, operations will taper off somewhat during May prior to the annual inventory period which starts June 1."

"In spite of the fact that the last 3 years have been exceedingly difficult ones for farmers generally, the Oliver Springfield works has done a considerable amount of engineering and development work. A number of new products have been designed and tested in the field. These products have recently been released for sale by the dealer organization and an active demand is anticipated."

"The Oliver Co. operates four large factories, at Charles City, Iowa; Battle Creek, Mich.; Springfield, and South Bend, Ind. At South Bend the company has a particularly large foundry, and it has been found economical to make a considerable tonnage of castings used at Springfield and other plants in that foundry. With business growing better there is every reason to anticipate that the Springfield plant will enjoy an even better fall and winter this year than was the case last year."

[From the Davenport (Iowa) Times, Apr. 17, 1934]

CONTINUED IMPROVEMENT

The Dun & Bradstreet review for the week forms another record of business recovery. Despite the release of several million workers from the C.W.A. rolls, trade during the last week continued to show a gain. The tapering off in business which was looked for in many lines after Easter failed to develop this year.

The many new shiny cars on the streets and highways is another index of buying power being exercised. April sales are expected to match those of March, despite the fact that deliveries during the last 10 days of that month were the highest since May 1931, while the month as a whole exceeded any in 1931.

With steel production approaching 50 percent of capacity, it may be felt that this pivotal industry is nearing a normal production. Building, which has been lagging badly, gave most encouraging evidence of definite improvement, when contracts for the month were almost 200 percent above those of March of last year.

The progress is slow and steady and it is the absence of a spurt, such as that which came last July, which extends assurance that it is more or less of a permanent nature.

While the heavy industries are still 50 percent below normal production, the so-called "consumer industries"—those which turn out food, clothing, and other things which are used by the masses—are now within 15 percent of normal. It is corporations and larger business units which support the capital-goods trade. Naturally there has been a reluctance during this period of flux to embark upon expansions and plan rehabilitations which form so much a part of the demand for heavy machinery and other heavy products. As a matter of fact there has been little need of improvements of this sort, since the productive capacity of industry remains far in excess of demand.

The hue and cry which has been raised about the baneful effect of the Securities Act disregards conditions which would have discouraged investment along this line during the past year, even in the lack of legislation which sought to eradicate evils which were all too prevalent in the past.

With the demand for short-term gilt-edge bonds exceeding the supply at present, money must flow soon to solid capital financing.

The most encouraging change which has come about in the past 12 months is that money is again seeking investment, whereas this time last year found everyone converting whatever he could into money.

[From the Cleveland (Ohio) Plain Dealer, May 17, 1934]

NOT SO SICK

It is current fashion for the foes of Roosevelt recovery to beat their breasts on behalf of the little man. One is told that N.R.A. has become the handmaiden of monopoly and that its codes are putting a millstone around the neck of all the little businesses of all the little men.

Yet an erroneous report from Washington that the codes for the service industries will be abandoned brings several thousand protests to the National Recovery Administration, mostly from the dry-cleaning industry, admittedly one of N.R.A.'s problem children. Manifestly most of them must have come from little men, for there are not that many big ones.

Another index of the business health of the little man is the steady decline in commercial failures. Last week, reports Dun & Bradstreet, failures were fewer than for any similar period in 14 years. They numbered 222 against 437 a year ago, and a weekly average of over 400 in predepression years.

Still another indication that all the little men are not dead or dying is the substantial decrease in the number of vacant stores, noted in Cleveland and almost every other city. They should be increasing if one is to believe the recovery critics' tales of woe, for in the main it is the little men who do business in the little stores.

Many little men in business have been having their troubles, even as have the big men. But many of them seem to be convalescing very successfully.

[From the Little Rock (Ark.) Democrat, May 18, 1934]

ROADS REPORT BIG INCREASE IN BUSINESS—PASSENGER TRAFFIC UP 20 PERCENT, CARLOADINGS 26 PERCENT

Railroad freight and passenger business in Arkansas for the first 4 months of the year show a substantial increase over the figures for the corresponding period last year. Passenger traffic has increased about 20 percent, number of passengers almost half, and freight carloadings slightly more than 26 percent.

Officials of the Missouri Pacific and Rock Island systems Friday said not only has there been an increase in business here but at most points served in Arkansas by the two roads. Business of last summer was considerably over that of the previous summer, and officials anticipate a heavy summer tourist business this year.

Some stations on the Missouri Pacific have reported number of passengers doubled over that of the same period last year, while at Little Rock the number of passengers has been about 50 percent greater each month since the first of the year over corresponding months last year. The Rock Island reported an average of about 45-percent increase in number of passengers.

Passenger revenues of the two systems is reported considerably greater than last year, while in Arkansas the increase averages about 20 percent. Little Rock passenger revenue to the Missouri Pacific has run from 5 to 20 percent greater than the same month last year, while on the Rock Island the average is about the same. Each month since December the Rock Island has had more passenger revenue here than last year.

For the first 15 days in May the Rock Island reported about an 18-percent increase in passenger revenue.

CARLOADINGS INCREASE

Figures compiled by J. C. Murray, chief of the traffic department of the Little Rock Chamber of Commerce, show a 26-percent-plus increase in carloadings in Little Rock and North Little Rock from

January to April, inclusive, in 1934, over the loadings of the corresponding 4 months of 1933.

Mr. Murray's figures on cotton shipments for this period in 1934 show a decrease under the first 4-month period of the preceding year. He explained that this was not significant of a decrease in cotton business, but that the difference is due to an enormous stock of cotton being held on account of Government loans.

Carloads of general merchandise and commodities received and forwarded here during the first 4 months of this year totaled 23,301 as compared to 18,477 during the corresponding period in 1933. This is an increase of 4,824 carloads, or slightly more than 26 percent. Cotton shipments, which are measured in bales rather than carloads, were 71,563 bales during the first 4-month period in 1934 compared to 84,753 bales during the corresponding period in 1933.

[From the Baltimore (Md.) Sun, May 24, 1934]

JOBS, PRODUCTION, PAY ROLLS INCREASE—FEDERAL RESERVE REPORTS UPWARD CURVE WHILE PRICES MARK TIME—STEADY GAINS SHOWN—FOUR MAJOR INDUSTRIES ENLARGE OUTPUTS—STORE SALES AHEAD OF LAST YEAR

WASHINGTON, May 23.—Employment, pay roll, and factory production increases were reported today by the Federal Reserve Board in a review which showed the general commodity price level marking time.

"Volume of manufacturing production increased during April, while the output of mines declined", the Board said in its monthly summary.

EMPLOYMENT LEAPS

"Employment and pay rolls continued to increase. The general level of commodity prices remained substantially unchanged during April and the first 3 weeks of May, although prices of individual commodities showed considerable changes."

Adjusting the increase in manufacturing and the drop in mining activity, the Board found its combined index of industrial production remained unchanged at 85 percent of its 1923-25 average. Analyzing the important factors, the Board said:

"The growth in manufacturing reflected increases in iron and steel, automobiles, and meat packing. Lumber production declined in April and activity at wool and silk mills was considerably reduced, while cotton consumption by mills showed little change.

PETROLEUM OUTPUT RISES

"Crude petroleum output continued to increase, but there was a more than seasonal decline at the beginning of April in the mining of both anthracite and bituminous coal. During the first 2 weeks of May steel operations increased further, but declined somewhat in the third week. Output of automobiles decreased considerably in May.

"The volume of employment and wage payments continued to increase in April, and employment in factories, according to the new index of the Bureau of Labor Statistics, was larger than at any time since the end of 1930.

"There was a substantial seasonal increase in the number of workers employed in private construction, as well as in those engaged in projects financed by the Public Works Administration.

MORE JOBS REPORTED

"Employment on railroads, in metal mining and quarrying, and in various service activities also increased further, while in coal mining there was a considerable decrease."

The Board said April showed a substantial decline in Public Works contracts and a "slight increase" in contracts for privately financed projects.

Department store sales, while larger than a year ago, showed little change from March to April.

SOME COMMODITIES DECLINE

Grains, cotton, silk, and silver were named by the Board as commodities which showed sharp price declines in April, only to rise during the first 3 weeks of May. Textile products went down in recent weeks and rubber prices, after an early May advance, dropped off. While steel scrap declined, finished steel products, such as automobiles and building materials, advanced in April. Cattle and beef prices rose during April and early May, but hogs declined.

UNEMPLOYMENT CUT 40 PERCENT

NEW YORK, May 23.—The National Industrial Conference Board, in a survey issued today, estimated the total number of unemployed workers in April at 7,907,000. This figure, said the Board, represented a decline of 114,000 from the March total and a reduction of 5,296,000, or 40.1 percent, as compared with March 1933, when unemployment was at its highest point.

[From the Binghamton (N.Y.) Press, May 11, 1934]

BINGHAMTON—INDEX HIGHEST IN STATE; WAGE TOTALS ALSO UP—BOTH E.J. AND I.B.M. PAY ROLLS LARGER THAN AT HEIGHT OF BOOM—RATED AT 117.6—INCREASE OF 2 PERCENT IN PLANT FORCES FROM FEBRUARY TO MARCH SHOWN

Climaxing a steady increase which began in March 1933, factory employment in the Binghamton industrial district, which includes Endicott and Johnson City, during March 1934 reached a peak which exceeded the high level established in 1929, according to

the industrial bulletin just published by Elmer F. Andrews, State industrial commissioner.

Substantiating the State bulletin are statistics of Endicott Johnson Corporation and International Business Machines Corporation, which reveal a decided increase for March over the 1929 peak month, September, in both factory employment and total pay rolls. For the entire district the pay-roll level for March 1933 was approximately 10 points below the 1929 peak.

State computations show that the Binghamton district, leading all other State districts during March, had an index rating of 117.6, as compared with 117 for September 1929. The average for the years 1926-27 is taken for the index base of 100.

Endicott Johnson Corporation in March had on its factory pay rolls 17,874 employees, according to Bruce L. Babcock, treasurer. At the peak of employment in 1929—September—E.J. had 15,321 factory employees, Mr. Babcock said today. He explained that these figures do not include executives and others employed outside the factories. This is an increase of 2,553 employees, or 16.6 percent.

The high E.J. weekly pay roll for factory employees in March was \$457,487.41, as compared with the high weekly pay roll of \$430,090.62 during September 1929. This is a total increase of 6.1 percent.

Although the total weekly pay roll was increased, the average weekly earnings per factory employee decreased, Mr. Babcock explains, pointing out that the average for September 1929 was \$28.07, as compared with the weekly average of \$25.60 in March 1934, a difference of 8.8 percent.

Although Frank C. Venner, resident manager of the I. B. M. factories in Endicott, was unable to give detailed figures on his firm's pay rolls and employment, he estimated that employment had increased "at least 30 percent since 1929", and that total weekly pay rolls increased in a slightly smaller proportion.

Commissioner Andrews, in the Industrial Bulletin, explains that employment in Binghamton district factories increased 2 percent from February to March 1934, and total wage payments advanced 2.7 percent. Average weekly earnings for the entire district, he points out, were \$24.55 in March, as compared with \$24.38 in February and \$17.62 in March 1933.

The commissioner's comment follows:

"Employment in Binghamton factories rose 2 percent from February to March, and wage payments increased 2.7 percent, advancing the employment index to 117.6 and the pay-roll index to 112.6. The gains since a year ago were extended to 15.1 percent employment and to 60.4 percent for pay rolls. Average weekly earnings were \$24.55, against \$24.38 in February and \$17.62 a year ago.

[From the Johnstown (Pa.) Evening Democrat, May 18, 1934]

UPSWING SEEN IN EMPLOYMENT FIGURES HERE—CITY ASSESSOR SAYS MANY MORE REPORTED BACK ON REGULAR JOBS

That employment is showing a steady upswing in Johnstown is the opinion of M. M. Chudy, city assessor, who is at present making the occupational-tax assessment of all residents here.

Chudy stated that many persons who last year were carried on his books as day laborers because they could find no work at their trades, have again secured employment as skilled workers. "This", Chudy said, "indicates that jobs are more plentiful than they were a year ago." The assessor said that scores of instances of this nature were found.

Chudy also was of the opinion that as prosperity returns here a great deal of money will be expended repairing homes. "The building survey conducted as an R.W.D. project indicated that many homes are in need of repairing", he said.

[From the Boston (Mass.) Globe, May 17, 1934]

JOBS AND WAGES GAINED IN APRIL—EMPLOYEES INCREASED 3.2 PERCENT OVER YEAR AGO

Commissioner Edwin S. Smith, of the State department of labor and industries, said yesterday that, based on reports from 1,391 manufacturing establishments in Massachusetts, the number of wage earners employed in April, compared with March, increased 1 percent and the total of weekly pay rolls increased 0.2 percent.

"The records show", said Mr. Smith, "that for 9 prior years the averages of the percentages representing the March-to-April changes in each year were decreases of 2.1 percent in employment and 3.3 percent in the amount of weekly pay rolls.

"It is noteworthy that there was an increase of 32.6 percent in the number employed, and an increase of 59.7 percent in the amount of pay rolls in April 1934, compared with April 1933.

"In 20 of the 37 industries there were increases in employment. There were increases in the amount of the weekly pay rolls in 21 of the industries.

"The combined returns for the 115 boot-and-shoe establishments reporting showed increases in employment of 4.7 percent and in the amount of the pay rolls of 1.7 percent. The 58 cotton-goods establishments throughout the State reported a 2.5-percent gain in employment and a gain of 1.4 percent in weekly pay rolls.

"In electrical machinery, apparatus, and supplies (including radio), employment increased 7.5 percent and the wages paid increased 14.1 percent. The decreases of 8.3 percent in employment and 10.4 percent in pay roll in the 56 woolen and worsted goods mills were largely due to curtailment of production in Lawrence."

[From the Helena (Mont.) Independent, May 12, 1934]

CARLOADINGS IN STATE SHOW HEAVY INCREASE FOR INITIAL QUARTER 1934 OVER YEAR AGO

Heavy increases in revenue freight carloadings during March 1934 over those for the corresponding month of 1933, are shown for most commodities in the monthly report of loadings compiled in the office of H. B. Schaefer, traffic expert of the Montana Railroad Commission.

During the month 10,092 cars were loaded with revenue freight, an increase of 3,678 cars, or 57 percent, over those for March 1933.

For the first 3 months of the present year Montana loadings of revenue freight totaled 29,974 cars, an increase of 9,307 cars, or 45 percent, over such loadings for the first 3 months of 1933, and an increase of 7,977 cars, or 36 percent, over those for the corresponding 3 months of 1932.

BUILDING MATERIALS

Indicative of a revival of building activities, the month showed increases over March 1933 in building materials as follows:

Lumber and lumber products, 160 cars; brick and clay products, 18 cars; lime rock, crushed rock, stone, sand and gravel, stucco and cement plaster, 479 cars.

In manufactured articles or raw materials for manufacture increases were:

Logs, 383 cars; copper, 217; concentrates, 268; slag and tailings, 57; ore, 1,240; crude oil, 400. Commercial coal increased 149 cars.

In movement of livestock, horses and mules showed an increase of 128 cars and cattle 118. Loadings of potatoes increased 24 cars.

Decreases were shown in flour and mill stuffs, wheat, canned goods, sheep and goats, hogs, and refined oil.

GENERAL SUMMARY

Movement of company freight, or railroad property, accounted for 2,296 carloads, in addition to the revenue freight loadings, as compared with 1,949 cars in March 1933.

Total commodity loadings, car lots, for March 1934 were as follows:

Canned goods 26, commercial coal 1,039, poultry and poultry products 1, household goods 11, farm implements 21, fruit and vegetables 1, dried peas and beans 90, potatoes 68, flour and mill stuffs 556, barley 3, flax 8, oats 34, rye 2, wheat 679, hay 77, straw 1.

Horses and mules 306, cattle 819, sheep and goats 235, hogs 33, wool 2, logs 948, lumber and products 410, poles and piling 134, wood 28, brick and clay products 20.

Copper 321, concentrates 292, slag and tailings 115, ore 2,040, lime 6, lime rock 109, crushed rock 22, stone 183, sand and gravel 234, stucco and cement plaster 123, scrap iron 7, sugar 130, crude oil 474, refined oil 342, miscellaneous 642.

[From the Davenport (Iowa) Democrat, May 17, 1934]

EMPLOYMENT IN FACTORIES STILL GAINING—TOTAL NUMBER EMPLOYED IN QUAD-CITY PLANTS MAY 1 WAS 15,238

For the twelfth consecutive month employment in Quad-city factories showed an increase over the preceding month, according to a survey completed since May 1. On that date a total of 15,238 men, not including office employees and those in supervisory positions, were working in 73 factories, including all of the major plants of the four cities, the survey showed.

That total is the largest since January 1930, records show, when 18,000 were employed, the greatest number in several years. The increase over the same period in 1933 was 109 percent, showing that approximately 8,000 men had gone back to work in Quad-city factories in the last 12 months.

The total employment May 1 represented an increase of 814 over the preceding month, the survey disclosed. While Rock Island arsenal accounted for a good portion of the increase, every major factory in the four cities showed a substantial gain in employment.

[From the Boston (Mass.) Globe, May 20, 1934]

BUSINESS GAINS IN NEW ENGLAND—FIRMS ARE EXPANDING IN MANY COMMUNITIES—GREATER EMPLOYMENT, LARGER PAY ROLLS AIDING SECTION

While the tide of recovery is not running in as heavily as it was a few months ago in New England, there is some evidence that it is still on the rise and that confidence in the future has been restored in many communities.

Fitchburg takes its place with Clinton and Peterboro, N.H., among the industrial communities that have hit the come-back trail and are making good progress toward better times. Fitchburg was one of the many New England textile manufacturing centers that suffered from adverse conditions long before the actual depression came along. Mills were closed, and there were those who predicted that they never would be reopened. This prediction is being proven far wrong.

Two new shoe factories have taken space in one building formerly devoted to the manufacturing of textiles. The Fitchburg Shoe Co. already is running on the second floor of Parkhill Mill Co., and the Corcoran-Gleason Co., formerly of Brockton, has taken 20,000 square feet of floor space on the third floor of the same plant.

Both concerns expect to employ at least 150 persons when running at capacity. While most of the skilled labor will be brought to Fitchburg from other shoe-manufacturing centers, the man-

agements have promised that local residents will be given jobs wherever possible.

SEEK OTHER FIRMS

Several other concerns are said to be considering taking space in the mill building, and local workers for increased industrial activity in Fitchburg are hopeful of building up a shoe-manufacturing community whose value will more than offset the loss of the textile business.

In addition to these excellent signs of better business and more employment, the figures compiled by the chamber of commerce from the two commercial banks in Fitchburg show that pay rolls have been rising steadily since last June, when weekly reports were first collected. For the week ending June 5, 1933, the industrial pay roll in the city was \$87,000. Last week it amounted to \$119,000, and has been averaging a little less than that for some time.

The Plymouth Chamber of Commerce this week made a report of progress in its campaign to obtain new businesses for the historic town. Two new concerns have announced their intentions to locate in now vacant industrial buildings, one in the Standish Mills factory and the other in the rivet-works building of the old Plymouth Mills. The chamber of commerce also believes that it has good prospects of inducing other concerns to use the Bradley Rug Mill.

SPURT IN TURNERS FALLS

Out in Franklin County, Turners Falls reports that the marked improvement in industrial conditions which began several months ago has struck the high-water mark for more than 2 years. Pay-roll figures for the first week in May showed a gain of 53 percent over the same period a year ago. At present manufacturers there say that business prospects are so favorable that increased production probably will continue for a considerable period.

Renewed activities in the Wyandotte Woolen Mill and the Maine central repair shops, together with a \$31,000 public-works improvement allotment, have greatly relieved unemployment in Waterville, Maine, and officials there believe that with the coming of warm weather and resumption of strictly summer business the number of jobless will be reduced to a number not seen there in several years.

Mr. DICKINSON obtained the floor.

Mr. LONG. Mr. President, will not the Senator from Iowa yield to me for a few minutes?

Mr. DICKINSON. For what purpose?

Mr. LONG. I just wish to make a few remarks to correct one or two little matters which I think are not plain in the statement of the Senator from Arkansas. It will take but a minute or two.

Mr. DICKINSON. With reference to the N.R.A.?

Mr. LONG. Yes.

Mr. DICKINSON. I yield.

Mr. LONG. Mr. President, I simply want to connect up a few little matters relating to the N.R.A. which the Senator from Arkansas no doubt has not had the time to review as I have. I probably took a little bit more care in presenting some amendments and had some knowledge of the act, perhaps, which the Senator from Arkansas has not had.

To begin with, I offered an amendment to the industrial recovery bill, after I had made a statement on the floor of the Senate, which was pronounced ridiculous. I stated that the N.R.A. was going to be used, in my opinion, and that it could be used, in such a way that a man could not hack a crosstie without getting a permit from Gen. Hugh Johnson in Washington, D.C. That was pronounced to be ridiculous.

I thereupon drafted an amendment, which was placed in the act, to the effect that the act should not be used under any order or under the administration of the act so as to prevent a man from selling what he raised with his own hands or what he made with his own hands on a farm or as a laborer in industry. I stated on the floor of the Senate that they would even try to stop a man from hacking crossties—a little man with a jug of water and a little ax hacking crossties—and notwithstanding the fact that it was pronounced by the administration spokesman as being absurd and ridiculous to think that the administration would consider doing anything like that, actually, in the teeth of my amendment, they tried to foist on the crosstie hackers a code, on the ground that those making them in the saw-mills were subject to regulation and the others were not.

I do not know what they finally did about the matter. I waited to see whether or not they would make the encroachment I anticipated, and I heard nothing further,

though it was in the air that they were proceeding along that line. Later, however, a report appeared in the papers to the effect that the amendment I had offered had prevented them from extending the benevolent effect of the act to some laborers and farmers who needed protection. Thank God, they could not give them that kind of protection.

I had nothing to do with the appointment of any review board. That was attended to by the President of the United States, and certainly, everyone knows, without any consultation with me. There may be some Senator here who might be suspected of having suggested someone whom the President appointed on the Review Board, but there is one man in the Senate toward whom the finger of suspicion will never be directed, and that is the present senior Senator from the State of Louisiana. I had nothing whatever to do with the President's deciding to embellish the Review Board. He went ahead and appointed the members and, as the record will amply demonstrate, those of his choosing.

Mr. President, I do not believe the Senator from Arkansas means to indict any of us, if Mr. Hugh Johnson is unable to find anyone they can name who, after study, will say something good about them. I hope that no one who is a Member of this body, having nothing to do with these appointments, will be castigated because Mr. Johnson cannot find someone who, after investigating his board, sees fit to say something good about it.

I will say this, however, that had I been left to name someone for Mr. Johnson, either among my friends or among my enemies, who had had experience under some code, and who I could have said would have reported something good about it, I could not have named a single soul in the length and breadth of my acquaintance I could have relied upon to do it. I have never yet met a man, in my entire acquaintance in the Southern States, who has anything good to say about the N.R.A., not one single one. We admit it has been alleged it has a good purpose, namely, to shorten hours, but that was a forgery upon an effort made here to accomplish that object by direct law.

We had before us a bill here which had for its purpose the limiting of the hours of work to 30 hours a week. That bill passed the Senate. We adopted amendments and rejected amendments, over the protest of the administration, in order that the bill might have teeth in it. When the bill had passed the Senate, lo and behold, a big hurly-burly was raised, and something had to be done to sidetrack that piece of legislation, and the N.R.A. was established. That is why we have the N.R.A. They did not say a word about the iniquitous means by which things were done which no one had ever heard of being done under any preceding administration. That is why the N.R.A. was founded, for the simple reason that there was a bill here decisively, unequivocally limiting the hours of labor to 30 hours a week, and under that bill there would not have been any bureaucrat authorized to hold the sword of Damocles over the people of this country night and day, keeping them in terror lest they might violate some technical provision of one of these multifarious codes. I believe the number has run up to 537 by this time, not including codes which have been adopted by the various States.

Now we come to the case of the little New Jersey tailor. I am sorry the Senator from Arkansas has left the Chamber, because I regret that he took offense at the remark which he permitted me to make. If he were here I believe I could explain the matter in such a way that the Senator would feel more kindly toward what I wish to say.

I merely wish to make a little historical statement, based on fiction, as I recall—though I have not read the work in a number of years—appearing in a volume by Victor Hugo styled either "Notre Dame" or "Ninety-three."

We are told that when the particular character in this story, in the midst of the testimony when he was not testifying according to what the judge wanted him to say, was taken away by one of the bailiffs of the court, who beat him from head to foot, kicked him and buffed him, until he had little breath left in him, and then the bailiff re-

turned and, said he, "This gentleman is ready to tell you, Your Honor, that he confesses, and he will also tell you that he does it voluntarily, and of his own free will and accord."

Here is the case of a little old tailor, with a flatiron and zinc tub, probably—that is about all some of such men have—a little old smoothing iron, pressing a pair of breeches, when he could find someone who had money enough to pay to have a pair pressed. They yanked him up by the collar and dragged him into court, and said to him, "You charged 35 cents for pressing that pair of breeches, when you ought to have charged 40 cents, and now you are going to jail for 30 days, and will have to pay a fine of \$150, and in default of the \$150 fine, you will get 6 more months in jail." That is about the way I would guess it goes, a dollar for a day, which would give him about 7 months altogether.

Lo and behold, the next thing we know they come into the United States Senate; the little man is out of jail, and we have a statement from him that he is in favor of the N.R.A. Is not that a marvelous performance to have taken place in the great deliberative body called the United States Senate? Poor little two-by-four, smoothing-iron presser, sent to the penitentiary for 30 days, and fined \$150, when \$150 is more money than he has heard about in the last 5 years. And now he comes out, after being released from jail, after serving a day and a night in jail, with the statement that he is in favor of the N.R.A. [Laughter.]

I hope the Senator from Arkansas, if he takes occasion to ask someone what I say, will understand that I mean no reflection whatever. I am simply connecting the case up with a comparison in history. Perhaps I have not given the exact title of the work of Hugo, perhaps it was another volume, but the incident was given by Victor Hugo about as I have repeated it, and is in line with what has happened in the case of this tailor.

Mr. President, the Senator from Arkansas said he did not know what General Johnson had said to me. Perhaps it may be thought General Johnson has called me up and given me some of the kind of language he has given to others. The general has not done that. While I understand that the bureaucrats in Washington assert the privilege of "cussing out" most anybody when they want to, the general has been kind to me up to this time and has not done that. I want to thank him for that. [Laughter.]

Mr. President, I did not start out here with any intention of criticizing the N.R.A. I know that we Democrats want it to die as fast as it can die, with the least possible said about it. I am not in agreement with the Senator from North Dakota [Mr. Nye]. He wants to reinstate the license provision, which he says they are going to let die. I do not agree with him in that. I am not in favor of reviving any limb of this creature when it dies. When the license part dies, Mr. President, let it die and remain dead. Never again, I hope, will there be anything breathed into this dying carcass of iniquity that will cause it to have another existence such as it has had since I have known about it.

As to the little tailor's case, which Mr. Johnson says he did not know anything about, I am glad he did not know anything about it, because the tailor got out of jail in 24 hours. I imagine that if my friend Johnson had known about it he would probably have let him serve out his sentence.

I admire Mr. Johnson for the direct way of performing his job. He was put there to do what he is doing. There has not been any mistake about this thing. Do not let any one tell you that there has been any mistake about what Mr. Johnson is doing on the N.R.A. He is doing just what he was put there to do. He was recommended for the place by Barney Baruch, and before Barney Baruch recommended him to be put there, Barney Baruch wrote an article in the American Magazine in which he favored regimenting and chaining up the business of this country so that it would be owned by the big masters, and directed from one big fountainhead, and the little men thereby be put out of business.

Barney Baruch wrote that letter before he was sent for to come here and to recommend anyone for the job that Mr. Hugh Johnson has. I have put a portion of that article in the CONGRESSIONAL RECORD, in which Mr. Baruch spread his philosophy that the day of the little man was gone. That is what Mr. Baruch said. He said that if anyone wanted to stay in business in this country he ought to invest his money in chain enterprises and buy stock in them, and allow the chain business to go on in this country, or words to that effect. When Mr. Hugh Johnson came out of the office of Bernard M. Baruch, the reincarnation of the prophet himself, and came here to Washington, he came here with the philosophy that the day of the little man in business was past, and he has performed in accordance with that philosophy to the queen's taste.

I am not unmindful of the few favorable letters which have come to the N.R.A. It seems that out of the several hundred thousand men who are in business in this country some 40 or 50 have sent in telegrams saying that they favored the N.R.A. That is rather spontaneous applause. Some 40 or 50 or maybe 100 or so people out of the fifteen or twenty or thirty or forty thousand that might have been heard from, or maybe 100,000, I would think at least, have said that they favored the N.R.A. Why not? The sword is over their heads. The sword of Damocles is right over them all the time.

Newspapers have been scared to death that a code was going to be put over them that they could not work under, and they have been beating the drum pretty slowly until the day of election comes close to hand, and then they will spring out like the mountain lion and do what they please. Everyone does not have to eat a whole beef to see that it is tainted. One can see what is coming from what has gone before. They can slip up on this thing quite easily, because General Johnson asserts that he has the power by which he can stop any business that he wants to stop over night.

There is not now such a thing as the Congress of the United States to deal with. There used to be a time when people feared the Congress' staying in session, because they did not know what kind of laws Congress was going to pass, and if that fear is enough to disturb business, then what more fear can be pictured, when this one gentleman holds in his hands the scepter with which he can cause wreck and ruin to the fortunes and fame of businesses and men at any time.

Mr. President, no one in the whole country today stands free from arrest under the N.R.A. The law, and the codes under the law, provide that whoever is a party to the violation of a code requirement is a criminal. In other words, it effects not only the man running the business, but if one participates in violating the code, or a provision of the code, he is guilty of a violation of the law as much as the man who violates it directly. According to that they will finally get it down, Mr. President, to the point where every man dealing with all these businesses will be presumed to know the entire contents of the 535 codes, containing all the way from 100 to 750 pages to the code. Every man before he may buy a sack of salt will have to sit down and read 533 books of 500 pages to the book in order to see what he can do before he goes and buys a sack of salt. It is getting down to that kind of business; and they know it. Why do they do that? They know that every man in business cannot know all these provisions. But they want it so that every man in the United States is a prospective law violator. They want it so that every man who is going to the polls tomorrow morning can be arrested if the powers want to arrest him. They want that kind of law. They want laws so that every man in the United States is guilty of a criminal offense every time he goes across the street, if they can make it so, and so that they can enforce the law against whomever they want to.

Mr. President, when I was Governor of the State of Louisiana there was a certain city in my State which was affected by a long list of laws and ordinances. They had a

law against this, and a law against that, and I looked at the list and said, "Why, we ought to repeal these laws. There is hardly a man in this city", I said, "who does not violate one of these laws from 1 to 10 times a day." "Oh, no", said a gentleman down there, "we do not want to repeal those laws. That is how we get the chance to grant people favors. That is how we make our friends in politics. So long as we have a thousand laws here, that everyone in the city of New Orleans is violating every day, then we have a right to arrest anyone we want to arrest, and they must all stand in with the police and the recorder's court, because we can arrest every "dad-gum" one of them if we want to."

That is the old police skullduggery, the rotten political system that we have been trying to root out of every city in this country, by which everyone is made a violator of the law, so that every man who has to depend upon the law must stand in with the authorities.

Mr. President, we have that same thing extended here in this system. This N.R.A. code system is the same old system. They have 537 codes. And I understand that there are 2,000 more awaiting for final approval and compilation and publication, and other necessary formulas before they can have the effect of law. But we have 537 of them now, as I understand, with all these pages and all these provisions. Every little man in the country is subject to the N.R.A. No man knows where he is today.

The authorities have gone further than that. They have started in this country on one of the most notorious means of terrorism that has ever been known. Everyone knows how terrible it is to try a man in the United States court. He feels like he is on foreign soil when he is taken out of his little home community and carried 200 miles away to be tried. But at least the United States had accepted the principle that it would always try the man in the jurisdiction wherein he had committed his offense and wherein he lived. They have now begun the system in the States of indicting the men in districts in which they do not live if they can find that they have mailed something to another district. In my State they pulled off this rotten, low-down kind of a thing under the auspices of the Government, where a good, decent, United States citizen never was told he was violating the law, never was called upon to do anything, never was warned of anything. They did not indict him in the district in which he lives; they went 300 miles away, down to the city of New Orleans, and indicted him there, on the ground that he mailed a letter down there, taking that man 300 miles away from his home to try him down there under this kind of condition, when always that indictment should have been in the district where he lived and did the main act.

That is the kind of terrorism that Barney Baruchism has carried on in this country, and they have nearly everyone scared to death.

My God, let us scare them all. It cannot be done any worse than it has been done. The Constitution of the United States has been wrecked. Somebody has to speak the truth in the presence of the king. Here is the kind of thing we are going through here. Do we call this good government? Look at this:

Silver money issue optional with the Treasury. Billion and one half, or none, would be permitted new measure.

That is from the Washington Post, May 24, 1934, page 2.

This is from the New York Herald Tribune of today, page 5:

Silver uprising held beaten by Roosevelt coup. Congress expected to pass President's draft despite dissatisfaction with it. Critics need fall votes. Any kind of measure welcomed by westerners.

Mr. President, the distinguished Senator from Nevada [Mr. PITTMAN] was deceived into believing he had a bill which meant something, and when the bill came in here he was so much pleased with the fact that it had come in here that he stood on the floor of the Senate giving praise; he was glad in his heart over the fact that this bill had been sent, and this message had come here accompanying

that bill, and, lo and behold, when the market falls out on silver, when silver goes down considerably instead of going up, he wakes up this morning and reads an interview with the Treasury Department itself, saying that the bill does not amount to a tinker's dam, and they do not have to do anything, and that they just merely led the boys into a blind alley, and gave them a sack and sat them down to wait there until they drive the snipe by.

It reminds me of the way the country boys used to treat the city boy when he went to the country. They would take him out in a brush heap 4 or 5 miles away from town, give him a sack, and stand him up there holding that sack in the dead dark hours of the nighttime until they could go up and drive the snipe into the sack. Some city boys would stand there and hold the sack all night long. They took in some of the boys here on the silver question in somewhat a similar way. They did not take me in; I was not selected by my bloc to go to the White House to discuss the matter with the President of the United States nor with the Treasury Department. I am just one of the willing workers of the bloc. I have introduced several silver bills here and voted for all silver legislation which has been proposed; but when they brought the bill back here, ignorant as I was on the question, I did not have to take two looks at it to see that it did not amount to a dad-gummed thing.

I have not studied the silver question all these years as has the Senator from Nevada; but instead of making a 2-hour speech approving it, and then being met here by the newspaper reports that the Department had pulled off a very clever ruse and had frustrated the silver movement and left them with nothing—instead of being met with that kind of declaration—at least I can go back to the people of the State of Louisiana and say to them that the wool was not pulled over my eyes when they sent this last baby rattle in here for me to play with. That is the kind of way we are to legislate, apparently.

I want to beg pardon of the Senator from Iowa [Mr. DICKINSON]. I did not intend to take so much time, because I do not want to delay the consideration of the bill that is now before the Senate. If, Mr. President, I should consume anything like the time in expressing my views that is consumed by these statesmen in expressing their views; if I dared to take so much of the Senate's time as they take, it would be heralded from one end of the corridor to the other that I was undertaking to conduct a filibuster. Therefore, limiting my time because of the desire of the Senator from Mississippi to speed this bill along, I am going to beg pardon of the Senator from Iowa, and not express any further views which I had expected to make known on the floor of the Senate at an earlier date.

Mr. FESS. Mr. President, will the Senator from Iowa yield to me in order that I may insert one or two letters in the RECORD?

Mr. DICKINSON. I yield.

Mr. FESS. Mr. President, after listening for a little while to the Senator from Arkansas [Mr. ROBINSON], and especially to the reading of the telegrams of approval of the N.R.A., I sent to my office for a sample of the sort of letters coming to my office in reference to the N.R.A. I think I can say truthfully that I have had no letters of endorsement, but I certainly have had an avalanche of letters in opposition. I take three that came on the same day. From the first one I read as follows:

I am enclosing herewith copy of record of my dealings with N.R.A., which shows conclusively that N.R.A. has ruined the small employer and betrayed the little fellow in the employee class, who does not have the backing of a powerful organization.

That letter does not come to me because of any solicitation, or in reply to any letter written by me. The writer gives me the record of his efforts to get relief, running from November 9, 1933, up to the present time, and finally ends with the statement that the result is complete destruction of his business. I should like to have the record to which he refers inserted in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

RECORD OF CASE FILED WITH N.R.A. COMPLIANCE AUTHORITIES, NOVEMBER 9, 1933, SHOWING THE FAILURE OF SAID AUTHORITIES TO CARRY OUT THEIR PROMISES, AND THEIR ATTEMPTS TO JUSTIFY SUCH FAILURES. SHOWING THAT N.R.A. HAS RUINED THE LITTLE FELLOW, BOTH EMPLOYER AND EMPLOYEE

[Telegram]

BETHESDA, OHIO, August 26, 1933.

M. E. WOODS,

State Director, N.R.A., Cleveland, Ohio:

We have been requested to work nights in addition to 11 hours regular day. Average wages less than 15 cents hourly. Advise whether to continue after September 1. Answer collect.

EMPLOYEES ORRISON CIGAR Co.,
By O. S. HOLLOWAY.

[Telegram]

CLEVELAND, OHIO, August 29, 1933.

O. S. HOLLOWAY,

Care of Orrison Cigar Co., Bethesda, Ohio:

No record Orrison Cigar Co. signing President's agreement. Letter follows.

M. E. WOODS.

Telephoned from Wheeling, W. Va. Taken by Gundlach.

[Letter]

DISTRICT MANAGER, N.R.A., 1803 TERMINAL TOWER,
Cleveland, Ohio, August 30, 1933.

Mr. O. S. HOLLOWAY,

Orrison Cigar Co., Bethesda, Ohio.

DEAR SIR: Our wire stated that we had no record that the Orrison Cigar Co. had signed the President's reemployment agreement.

Would suggest that employees obtain definite information from the company as to its intentions concerning the agreement, or toward any of the industrial codes which are now being drawn up before carrying any drastic action. You might then advise us as to the information given you so that we may know what course to follow.

Yours very truly,

M. E. WOODS, District Manager.

BETHESDA, OHIO., September 2, 1933.

M. E. WOODS,

District Manager N.R.A.,

1803 Terminal Tower, Cleveland, Ohio,

DEAR MADAM: Replying to your letter of August 30 with reference to employees working for the Orrison Cigar Co., beg to advise that we are merely seeking advice as to the attitude we should take in the absence of either a definite code or the President's agreement.

At the time we sent the telegram we had just been requested by Mr. D. V. Orrison to work at night in addition to the regular working day of 11 hours. We flatly refused to do any night work, but were uncertain as to the proper course to pursue in the matter of continuing after September 1 under the old wage scale and working conditions.

On August 31 Mr. Orrison stated that he had a considerable amount of tobacco stock cased, and that failure to work it up would entail a considerable loss, and requested us to continue working until not later than one day next week. We met this proposal with a request for an increase of 20 percent in wages, which was granted.

Again this Saturday morning Mr. Orrison stated in substance that he could secure the Blue Eagle and continue to work under the old conditions so long as he confined operations to the filling of orders already on file. He also proposed that we continue to work after the expiration of the arrangement to work up stock at the old wages with a possible 10-percent increase.

Mr. Orrison states that it is impossible for him to operate under the President's reemployment agreement because of competition of others who have not signed.

We have arranged to hold a meeting to discuss and decide the matter of continuing after working up the present stock. We are not radical in our views, nor are we seeking to take advantage of our employer. We are only trying to do our part in making N.R.A. a success and to secure for ourselves a fair deal, which we have not had in the past.

As to wages and hours, we are working under worse conditions than existed 30 years ago, and for practically the same wages, except that decidedly better workmanship is required. The average wage is less than 15 cents per hour, and possibly not in excess of 10 cents, and the total hours per week permissible is 61. It is all piecework, and, of course, the only possible way to earn maximum wages is to work the maximum hours.

If desirable, we will undertake to keep you advised as to developments locally, and in the meantime we would appreciate some advice as to the proper attitude to assume and course to pursue.

Yours for success of N.R.A.,

EMPLOYEES ORRISON CIGAR Co.,
By O. S. HOLLOWAY.

DISTRICT OFFICE NATIONAL RECOVERY ADMINISTRATION,
1803 TERMINAL TOWER,
Cleveland, Ohio, September 6, 1933.

Mr. O. S. HOLLOWAY,
Orrison Cigar Co., Bethesda, Ohio.

DEAR MR. HOLLOWAY: I would like to take this occasion to thank you and the other employees of the Orrison Cigar Co. for your spirit of cooperation and moderation in attempting to obtain a satisfactory arrangement with your employer.

As you probably know, it is sometimes difficult for an employer to change his methods of doing business for the sale of merchandise, and where it would be necessary for him to raise the price in order to handle extra costs of putting the plan into effect.

I have written Mr. Orrison a letter explaining the procedure to be followed in obtaining the Blue Eagle and have also given him the terms of the cigar manufacturers' code as it applies to hand cigar manufacturers.

I am enclosing a copy of the terms of the code for your information.

May I suggest that both employees and employer attempt to work out a satisfactory arrangement, and if at any time you wish further advice we shall be very glad to be of assistance to you.

Yours truly,

M. E. WOODS, District Manager.

BETHESDA, OHIO, October 18, 1933.

Mr. Boaz Long,
Blue Eagle Division N.R.A., Washington, D.C.

DEAR SIR: I was named as an employee member of the local compliance board nearly a month ago, and am willing and anxious to do my part in that connection. However, the board is not completely organized and is not functioning.

I am myself not being fairly treated by my employer. In point of seniority I am much older than any of several who are at this time working, and not one of them are solely responsible for the maintenance of a home. I have a family to support, and after long months of starvation wages, idleness for even a few days is a serious matter. Have been idle for over a month, and following its usual practice, the Orrison Cigar Co. (my employer) has given me no information as to when I may expect to be recalled.

Will you please send me a copy of Bulletin No. 5, and any other available literature concerning the functions and duties of compliance boards?

Thanking you in advance for the above favor, I am,
Yours very truly,

O. S. HOLLOWAY.

BETHESDA OHIO, November 8, 1933.

THE ORRISON CIGAR CO., City.

GENTLEMEN: This is to notify you that I intend to file a complaint with the N.R.A. compliance board at 5 o'clock p.m., November 9, and if I am unable to get justice by this means, I shall feel compelled to resort to other methods.

In view of the fact that commodity prices are rising and that winter is rapidly approaching, and the further fact that I have just earned \$19.12½ since September 16, while others who seem to be more favored, have worked almost continuously since that date—and in point of seniority, I am one of the oldest employees—I feel that I have just grounds for complaint.

This notice is being given in the spirit of fairness and with the hope that calling your attention to some of the facts will be sufficient.

Yours truly,

O. S. HOLLOWAY.

NOTE.—The only answer to the preceding letter was the sending home of my tools at 4:45 p.m., November 9. I was aware of the fact that I did not need to give notice of my intention to file complaint. What I meant by resorting to other methods will presently appear in the letter to Orrison under date of December 4, 1933.

BETHESDA, OHIO, November 9, 1933.

N.R.A. COMPLIANCE BOARD

(Mr. Clyde Piatt, chairman),
Bethesda, Ohio.

GENTLEMEN: Complaint is hereby made that the Orrison Cigar Co. is violating the terms, purposes, and spirit of the President's reemployment agreement.

The said Orrison Cigar Co. is failing to pay the required wage scale and is unfairly discriminating against older employees without regard to fairness, justice, or the rights of said older employees.

The complainant, in point of seniority, is one of the oldest employees of said company, and has worked 2 weeks since September 16, 1933. The said company has had its plant in almost continuous operation since September 16, 1933.

The complainant therefore prays that your honorable board at once take the necessary action to cause the immediate discontinuance of the unlawful practices complained of.

Yours truly,

O. S. HOLLOWAY.

BETHESDA, OHIO, November 13, 1933.

N.R.A. COMPLIANCE BOARD,
Bethesda, Ohio.

GENTLEMEN: In addition to complaint now on file with your honorable board, further complaint is hereby made that the com-

plainant notified the Orrison Cigar Co. in writing of his intention of filing a complaint at 5 o'clock p.m., November 9, 1933, and that said Orrison Cigar Co. caused the tools of complainant to be sent home at 4:45 p.m., November 9, 1933, without just cause and without explanation. This can only be construed as an act of arrogant defiance of your honorable board and the N.R.A. and an attempt to intimidate the complainant, because every employee of an N.R.A. member has the right to file such complaints, and this complainant hereby claims the right to demand and does demand that it be so construed.

Complaint is further made that the said Orrison Cigar Co. is causing its employees to work in excess of the limitation of hours per week provided in code 1615-13.

Yours very truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., November 16, 1933.

Re: Complaint board.

Mr. O. S. HOLLOWAY,
Bethesda, Ohio.

DEAR MR. HOLLOWAY: I wish to acknowledge receipt of your letter of October 18, and regret the delay in replying, which has been due to the tremendous volume of correspondence received in this office.

According to records now in this office, a compliance board has been organized and is now functioning in Bethesda, Ohio.

I feel sure that if you will present your complaint to this board your difficulty can be handled satisfactorily.

Under regulations which have been issued, it is quite proper for a member of the compliance board to file a complaint to the board.

Thanking you for your continued cooperation, I am,
Yours very truly,

JOHN SWOPE,
Assistant to Chief, Blue Eagle Branch,
Compliance Division, N.R.A.

BETHESDA, OHIO, December 4, 1933.

CHIEF, BLUE EAGLE DIVISION, N.R.A.,
Washington, D.C.

DEAR SIR: I am filing herewith correct copies of complaints I have filed with the local compliance board, which I am quite sure are in accordance with your instructions of November 16.

The local board has been extremely dilatory and my urgent request that they try to get an amicable adjustment has had no effect and my family is now facing want.

I am, myself, a member of the local board and have tried to post myself and be a capable member. Now the board, after having consulted an attorney, Cummings, of Wheeling, W.Va., have decided that they cannot function, since this is a town of less than 2,500 population.

There are seven cigar factories here, employing 200 or 300 persons under normal conditions, and I have insisted that it is altogether right and proper as well as important that we have a compliance board.

The Orrison Cigar Co., which employs from 30 to 75 people, is under the control and management of D. V. Orrison, who dictates every act of the company.

He has never complied with the terms, intent, or spirit of the President's reemployment agreement, which he signed in September, and never intended to. He claims to be operating under an exception, but he is displaying the Blue Eagle without the required white bar and has not filed a petition in the form of a sworn statement for such exception. By displaying the Blue Eagle he is advertising that he is complying fully. In other words, just plain fraud and false pretense.

On August 28, the Orrison employees sent a telegram to M. E. Woods, at State N.R.A. headquarters, Cleveland, Ohio, asking for advice. (A copy is enclosed, together with a copy of the answer, which came through the Orrison office.) My name was signed to the telegram, and the answer seemed to indicate that I had made a strong complaint against the company. On September 4 the Orrison employees met at my home to discuss the situation and decide the proper course to pursue, and, acting on my advice, they decided to continue working.

It is quite evident that Mr. Orrison, ignorant of the real facts, has marked me for a dangerous and undesirable agitator who must be destroyed. He is not aware of the fact that my conservative counsel prevented a strike about 3 months ago. He is not aware of the fact that feeling was running high under the surface at that time and that there was even covert threats of violence. Nor does he know that I quietly worked with the more conservative employees to prevent such an eventuality. The credit I have gotten for this, is to be kicked out without any explanation. He has even stooped to falsehood as to my workmanship to prevent other employers from employing me.

Before the local board decided to cease to function, a committee of the board called on him and the net result was a series of honeyed lies and the statement that there is no law to compel him to employ anyone he doesn't want to. Besides, according to the report of the committee, they discussed me personally with him, which they had no right to do. As I understand it their duty was to explain the situation to the employer and ascertain whether or not there had been any violations, or get the facts in order that the board might decide the question.

Any statement he may make as to my workmanship, will only convict him of being a liar or of unfair arrogance, because no

word has been spoken to me about it. I am physically unable to work on C.W.A. or other public work and for this reason the loss of my job as a cigarmaker, at this time, is extremely serious.

Therefore, I am demanding that the Orrison Cigar Co. at once right the wrong it has done me and restore my job or that its Blue Eagle privilege be revoked.

Thanking you in advance for your interest in this matter and hoping for prompt action, I am

Yours very truly,

O. S. HOLLOWAY.

BETHESDA, OHIO, December 4, 1933.

Mr. D. V. ORRISON,
Orrison Cigar Co., Bethesda, Ohio.

MY DEAR MR. ORRISON: Just a few pertinent questions: Did you ever soak stamps off in the casing tub and reuse them? Did you ever use various factory numbers other than your own? Did you ever use any district number other than the eighteenth? Did you ever unlawfully cancel stamps, showing thereon factory and district number other than your own? These are just a few and you may deny them just as you denied any knowledge of my being out of work or that you had sent part of my tools and belongings home, but nevertheless I am going to inform the Internal Revenue Department, under oath, that you have done all these things and several others, unless you want to talk to me within 24 hours.

Yours most graciously,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., December 7, 1933.

Re: Complaint against Orrison Cigar Co.

Mr. O. S. HOLLOWAY,
Bethesda, Ohio.

DEAR MR. HOLLOWAY: I wish to acknowledge receipt of your letter of December 4, together with copies of complaints filed with the Bethesda compliance board against the Orrison Cigar Co.

This office has not been notified that the compliance board of Bethesda has ceased functioning. You state in your letter that "the board, after having consulted an Attorney Cummings, of Wheeling, W.Va., have decided they cannot function, since this is a town of less than 2,500 population." Because a town has a population of less than 2,500 population, compliance boards are not necessarily to cease functioning. I am enclosing herewith the President's Executive order, which releases certain employers in towns of less than 2,500, together with General Johnson's interpretation of this order.

I have written the chairman of the compliance board to this effect. I have also requested a report of the exact action taken in your complaint against the Orrison Cigar Co. I enclose for your information the approved substitutions to the President's agreement for the cigar-manufacturing industry.

If I can be of further assistance to you, do not hesitate to call upon me. As soon as I have had a report from the chairman of the board in regard to your complaint shall communicate with you again.

Yours very truly,

JOHN SWOPE,
Compliance Division, N.R.A.

NOTE.—Entered into verbal agreement with D. V. Orrison on December 9, 1933, wherein Orrison agreed to put me to work or order that I be put to work and kept working. In return for this concession I agreed to drop any criminal prosecution based on facts and evidence in my possession.

Was called to work on December 14, 1933, and worked 7 days, earning \$13.20 (several dollars less than the N.R.A. minimum). The Orrison plant has been in operation almost continuously since January 1 and I have been left at home to fry in my own fat.

Have earned \$32.32 in 27 weeks and am demanding the difference between that sum and what I should have earned, based on N.R.A. minimum, or \$291.68, and at the same rate until paid. If this is not done promptly, I shall file an information with the Internal Revenue authorities, which will end the Orrison Cigar Co. and put the management in Federal prison.

O. S. HOLLOWAY.

(Copy of above was delivered to Chairman Clyde Platt, of the local board, Mar. 16, 1934, together with copies of the original complaints, which copies he requested at that time.)

BETHESDA, OHIO, February 5, 1934.

Mr. JOHN SWOPE,
Compliance Division, N.R.A., Washington, D.C.

DEAR MR. SWOPE: Referring to my several letters in reference to complaints against the Orrison Cigar Co., and particularly your letter of December 7, beg to advise that, after waiting 2 months for the expected advice from your office, nothing has appeared.

In the meantime, I am still unemployed and, having fought for 2 months to get it, am now on relief and compelled to live on a level which would be scorned by a Chinaman. Last week I was given an order for \$1 groceries, which, on the basis of three meals a day, is less than 5 cents per meal for a family of three for a week, or less than 1½ cents per person. I was also left without coal for a week in subzero weather.

The Orrison Cigar Co. is more arrogantly violating the N.R.A. provisions, as well as all laws of decency, than ever.

They are still exceeding 40 hours per week, and few, if any, are receiving the minimum wages. One employee earned \$2.70

for the week ending February 3. Another earned 30 cents one day and 40 cents another day. These may be extreme cases, but no employee in their department is earning half of the minimum wage.

I have been discriminated against and marked for destruction because I dared to exercise the rights of an American citizen as well as the rights guaranteed me by N.R.A.

Now, Mr. Swope, I am demanding that the Orrison Cigar Co. be thoroughly investigated and dealt with according to the facts and if it is not done I shall file affidavits with the United States district attorney concerning violations of certain statutory laws which will mean the end of the Orrison Cigar Co. and terms in Federal prison for its management on conviction. I am very reluctant to do this because it will only aggravate the local employment situation, but I have arrived at the place where patience has ceased to be a virtue.

Hoping that something can be done without further delay, and without my resorting to the above measures, I am

Yours very truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., February 8, 1934.

Mr. O. S. HOLLOWAY,
Bethesda, Ohio.

DEAR SIR: This will acknowledge your communication which is receiving attention.

We would advise you for immediate assistance to contact your State or local Civil Works Administration office.

We are assured that these recovery agencies will give your case immediate attention.

Very truly yours,

T. G. EARLY,

Chief Executive Section, Compliance Division.

P.S.—You may contact your local Federal Emergency Relief Administration, or Maj. E. O. Braught, executive director, State relief commission, State House, Columbus, Ohio.

NOTE.—Rather elaborate instructions for the accomplishment of a thing I had just advised had been done, after a fight covering 2 months, during which I might have starved or frozen for all anyone cared.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., February 10, 1934.

Mr. O. S. HOLLOWAY,
Bethesda, Ohio.

DEAR SIR: We acknowledge receipt of your recent complaint of noncompliance with the President's reemployment agreement.

All complaints of noncompliance with the President's reemployment agreement shall be brought before your local compliance board in the first instance. After the board acts on them, they are referred to us in Washington for final decision.

We are returning your complaint to you herewith with the suggestion that you bring it before Mr. Clyde Platt, chairman of the N.R.A. compliance board in your town. You may rest assured that your name will not be involved in any proceedings taken by the board unless you consent to its use.

Very truly yours,

T. G. EARLY,

Chief Executive Section, Compliance Division.

BETHESDA, OHIO, February 12, 1934.

Mr. T. G. EARLY,
Chief Executive Secretary, Compliance Division,
Washington, D.C.

DEAR SIR: Your letter of the 10th instant just received and to say that it was an amazingly painful surprise is putting it mildly indeed.

This entire matter has been mishandled since the first letter was written by me to Mary E. Woods, district manager, Cleveland, Ohio, early in September, in an effort to secure some information. I have received many courteous letters which told me nothing I wanted to know.

Your instructions to file a complaint with Mr. Clyde Platt would be laughable if my situation were not so desperate. The files in your office should disclose the fact that this was done early in November, and that the local board (of which I was a member), after a lot of heart-breaking delays, just simply quit and refused to function. Your office has long since been advised of all these facts and furnished with copies of all papers with a bearing thereon.

I have carefully followed the instructions contained in bulletin no. 5, as well as instructions and advice from your office, and the net result has been to bring my family to a destitute condition and to place me in a situation which will probably cause me to lose several hundred dollars, because I cannot protect my interests.

D. V. Orrison, who is the head of the Orrison Cigar Co., has repeatedly lied to me, and about me, and forced me into my present situation without reason or justification. I have endeavored to adjust differences with him, without the aid of N.R.A., which I had a right to expect, only to be given promises which are unfulfilled.

Now, after having done more than my part in the matter, I am advised to file a complaint, as though nothing had been done. N.R.A. has thus far utterly failed and refused to protect me in the rights guaranteed to every employee of an N.R.A. member, and the result has been my ruin.

I am again demanding immediate action in this matter and shall leave no stone unturned to get it. And if I am unable to get it at once I shall, among other things, turn over to the national Republican organization for publicity purposes certified copies of all letters and papers bearing on the case, together with a full statement of the facts.

Trusting that I may at last receive something more than a courteous but meaningless reply, I am,

Yours truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., February 16, 1934.

Re: Complaint against the Orrison Cigar Co.

Mr. O. S. HOLLOWAY,

Bethesda, Ohio.

DEAR MR. HOLLOWAY: I have received your letter of February 12 with regard to the above-mentioned subject and have referred the entire matter to Mr. Benedict Crowell, State Director of the National Emergency Council, 1803 Terminal Tower, Cleveland, Ohio, with the request that he take charge of this case.

Very truly yours,

JOHN SPOWE,

Chief Field Section, Compliance Division, N.R.A.

BETHESDA, OHIO, February 17, 1934.

Gen. HUGH S. JOHNSON,

National Recovery Administrator,

Washington, D.C.

DEAR SIR: I am one of the oldest employees of a local concern, the Orrison Cigar Co., in point of seniority and have been discriminated against by this concern because I dared to exercise the rights of an American citizen and the rights guaranteed by N.R.A. I have been robbed of the right to earn a living for myself and family, and because of my inability to meet certain obligations I stand to lose from \$700 to \$1,000. Am now on relief and involved in debt, and all for no reason whatever, so far as I am aware.

I have filed complaints with the local compliance board (of which I was a member), and the board, after repeated and unnecessary delays, finally quit and refused to function. I then filed copies of complaints, together with all papers having a bearing on the case, with the Compliance Division at Washington, and was promised action. Then, after waiting 2 months, I again wrote to the Compliance Division and demanded action without further delay and was courteously advised to file a complaint with the local board.

The Orrison Cigar Co. signed the President's reemployment agreement nearly 6 months ago, but has never complied, and very evidently never intended to. They are exceeding the maximum hours and few, if any, of the employees are receiving the minimum wages. One employee recently earned \$2.70 for 1 week and another earned 30 cents 1 day and 40 cents another day that same week.

Full details of my particular case should be on file in the office of the Compliance Division, and I feel that I am entitled to some action in the matter. I have carefully followed the instructions contained in bulletin no. 5, as well as direct instructions from the Compliance Division, and the net result has been to place me in a desperate situation.

D. V. Orrison, who controls and manages the company, is absolutely unscrupulous and his attitude toward my case has been one of indifference and arrogance. He has lied to me and about me. He has made promises to me, with no intention of keeping them, and at the same time lied about me to prevent my securing work with other local employers. He has no regard for his word and no conception of the meaning of honor. He will violate any law, if it suits his purpose to do so, if he thinks he can get by. I have in my possession facts and evidence by which I can prove repeated violations of certain statutory laws, and if something is not done quickly in my behalf I shall file affidavits with the United States district attorney, which will mean the end of the Orrison Cigar Co. and terms in Federal prison for its management, on conviction. I am reluctant to do this because it will mean the loss of jobs of my friends and neighbors. However, patience has ceased to be a virtue and something must be done at once. This is the last appeal I shall make to N.R.A., and if it will not protect me in my rights as an employee of an N.R.A. member I can only fight my own battle in my own way.

Trusting that N.R.A. will see to it that I get justice at once, including the wages I have been cheated out of, I am,

Yours very truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., February 19, 1934.

Mr. O. S. HOLLOWAY,

Bethesda, Ohio.

DEAR MR. HOLLOWAY: I have your letter of February 17, and by this time you must have had my letter of February 16, in which I advised you that the entire matter had been referred to the State N.R.A. compliance director in Cleveland.

I am also referring your letter of the 17th to the Director.

Yours very truly,

JOHN SPOWE,

Chief, Field Section, Compliance Division, N.R.A.

NOTE.—The above letter refers to my letter addressed to General Johnson. The General was evidently too busy being hard-boiled and with his propaganda and ballyhoo to be bothered with the

sufferings and humiliation of a little fellow who has been ruined by his N.R.A.

BETHESDA, OHIO, March 1, 1934.

MR. BENEDICT CROWELL,

State N.R.A. Compliance Director, Cleveland, Ohio.

DEAR SIR: On February 16 and also February 19 the N.R.A. compliance division at Washington advised me that my case against the Orrison Cigar Co. has been referred to you.

If the complaints and other papers and letters have been turned over to you, it will be quite apparent that this case has been pending for over 4 months, and that the Orrison Cigar Co. is not only arrogantly failing and refusing to comply with the President's reemployment agreement which it signed 6 months ago.

Surely if N.R.A. has any intention of protecting me, as an employee of an N.R.A. member, it is time to do it. I have been permitted to earn just \$32.32 in 24 weeks, which means that I have been robbed of \$255.68 on the basis of the \$12 minimum.

In asking that this case be pushed to a settlement promptly and that the company be required to right the wrong it has done me, including payment of the wages it has cheated me out of, I feel that it would fall far short of compensating me for the worry, self-denial, and humiliation forced upon me and my family.

May I ask what steps, if any, are being taken in the matter? A prompt settlement such as I have suggested above is of vital importance to me, and any further delay in securing such settlement will cause me irreparable loss.

Thanking you in advance for a prompt reply and assuring you of my appreciation of your good offices, I am,

Yours very truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Cleveland, Ohio, February 28, 1934.

Re: Complaint against Bethesda Compliance Board

Mr. O. S. HOLLOWAY,

Bethesda, Ohio.

DEAR SIR: Your letter of February 17 addressed to General Johnson has been forwarded to this office for attention.

We have already taken steps to investigate the complaint which you have registered and will keep you advised of our findings.

Very truly yours,

M. E. WOODS, Executive Assistant.

BETHESDA, OHIO, March 5, 1934.

STATE N.R.A. COMPLIANCE DIRECTOR,

Cleveland, Ohio.

DEAR SIR: I am in receipt of your letter of February 28, headed: Re: Complaint Against Bethesda Compliance Board. Let me state emphatically that my complaint is not against the local board. I am not even interested in it. My complaint is against the Orrison Cigar Co., an N.R.A. member, and said complaint has been pending for 4 months, and as I have told the compliance division at Washington, I am demanding prompt action on the complaint.

If N.R.A. is going to permit an arrogant, unscrupulous chiseler and racketeer to ruin me without cause I want to know it at once and I shall certainly do just as I said in my letter to General Johnson. I shall fight my own battle in my own way. It may mean the breaking up of my home; it may mean that I shall lose my property, which is in bad shape financially; it may, in fine, utterly ruin me, but I shall in turn ruin the local modern industrial Moloch, against whom I can bring charges which will put him in Federal prison. Besides, I am making plans to get full publicity on my case, or rather the failure of N.R.A. to protect me in the rights it has guaranteed me as an employee of an N.R.A. member.

I have certainly been patient in this matter, but my situation is desperate and I cannot afford any further delay.

Please do not confuse the issue. The local compliance board has ceased to function long ago, and I filed my complaints with the Compliance Division at Washington and was promised action, but the matter has continued unsettled and no nearer a definite decision than it was at the start.

Hoping that this matter may be promptly brought to a conclusion and that the wages I have been cheated out of may be ordered paid to me, I am

Yours very truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Cleveland, Ohio, March 7, 1934.

Re: Complaint against Orrison Cigar Co. Filed November 9, 1933.

STATE N.R.A. COMPLIANCE DIRECTOR,

Cleveland, Ohio.

DEAR MR. HOLLOWAY: I regret that our letter of February 28 was headed, "Re complaint against Bethesda compliance board. It should have read "Complaint against Orrison Cigar Co." Please understand we have taken this matter up direct with the above company and are making a thorough investigation.

Very truly yours,

M. E. WOODS, Executive Assistant.

BETHESDA, OHIO, March 27, 1934.

Re: Complaint against Orrison Cigar Co.

Mr. O. S. HOLLOWAY,

Bethesda, Ohio.

DEAR SIR: Referring to above matter, you advised me February 28, 1934, that it was being thoroughly investigated and that I

would be kept advised as to findings. You also advised me on March 7, 1934, that a thorough investigation was being made.

Now, Mr. Director, this case is nearly 5 months old, and I have been forced to live on relief or public charity on the basis of from 3 to 5 cents per meal for three persons in my family, and no provision is made for rent and other necessary expenses, with the result that I am being forced hopelessly into debt, to say nothing of the fact that I stand to lose several hundred dollars because of the fact I cannot meet certain obligations.

There can be no question that I have been unfairly discriminated against, and, according to the President's own interpretation of N.R.A. section 7a: "No employer shall unfairly discriminate against an employee."

I have been permitted to earn \$32.32 since September 16, 1933, and, based on N.R.A. minimum, I have therefore been cheated out of \$303.68 in wages for which I was entirely willing to work, and I am demanding that this amount be paid to me and that N.R.A. see to it that it is paid.

I can see no justification for any further delay in this matter, and I am demanding an unequivocal answer as to whether or not N.R.A. intends to enforce justice in this case, and if so, when. If the promises made by N.R.A. on behalf of workers such as I were merely propaganda and meaningless and without force, I want to know it now.

D. V. Orrison, who heads and manages the Orrison Cigar Co., is an unscrupulous sneak and liar, and will not hesitate to tell any lie, even under oath, to justify himself and to avoid the consequences of his violations of his word, law, or anything else. If given an opportunity to do so, I will not only make these statements in his presence but will prove them.

Insisting upon and expecting prompt action, I am,

Yours very truly,

O. S. HOLLOWAY.

NOTE.—The above letter has not been answered, and if it were, it would probably contain nothing definitely concerning the subject matter of the letter. It has been almost impossible to get any N.R.A. official to give a direct and unequivocal answer to any question or to stick to the issues and facts. They quite apparently recognize only such facts as suits their purposes.

OFFICE OF STATE N.R.A. COMPLIANCE DIRECTOR,
Cleveland, Ohio, April 10, 1934.

Subject: Your complaint against the Orrison Cigar Co., Inc.

Mr. O. S. HOLLOWAY,
Bethesda, Ohio.

DEAR SIR: On Thursday, April 5, Mr. Orrison called at this office for the purpose of discussing the difficulties of the cigarmakers of Bethesda and vicinity. While he was here we took up the matter of your complaint, and we attempted to see what arrangement could be made to settle this dispute.

Mr. Orrison informed us that his business had been gradually getting lower and that he has been forced to reduce the number of employees working, and that due to the fact that it is necessary for him to guarantee a higher wage than many employees earn or could earn with the shorter hours, he has been compelled to keep those who were the fastest and best workmen. He further stated that his plant has been closed down entirely for the past 2 weeks and that the majority of the workers are now on charity.

Mr. Orrison has informed us that you were not fired, and that when your tools were sent home this was done as a matter of kindness by the foreman and without Mr. Orrison's knowledge. He cited as evidence of the fact you were not discharged but laid off, the fact that you did do some work for him in December.

We have asked Mr. Orrison to discuss this matter with you and see if there is not some possible arrangement that could be worked out whereby the two of you could work together for the purpose of reviving the industry and not work at cross-purposes to each other. We are awaiting a report from him relative to your meeting and we hope that such discussion will be carried on with an appreciation of the difficulties which both of you are facing.

We shall be glad to hear from you.

Yours very truly,

M. E. Woods,
Executive Assistant.

BETHESDA, OHIO, April 12, 1934.

M. E. Woods,
Executive Assistant, State N.R.A. Compliance Director,
Cleveland, Ohio.

DEAR MADAM: I have for acknowledgement your letter of the 10th instant, with reference to complaint against Orrison Cigar Co. and advising me that Mr. Orrison had called at your office.

I am quite well aware of the fact that the cigar manufacturers have been hard hit by the new deal and that they have plenty of problems, but that does not change the facts in my case, nor give Mr. Orrison any excuse for unfair treatment or misrepresenting the facts. He has very cleverly handled the truth in such a way as to obscure the facts without actually telling but two or three lies. I know that when I make a statement like this, I am liable to be accused of being stubbornly narrow-minded, but I do not intend to let Mr. Orrison get away with any of his slippery tricks if I can avoid it.

It is true that he has been operating with reduced force, but that does not change the fact that I have been discriminated against unfairly. He may have guaranteed a higher wage than many could earn, but very few ever benefitted by that guaranty to the extent of receiving the minimum wages. Mr. Orrison might support his claim of increased costs due to meeting the

minimum wage, by producing true records. His inference that I am both slow and a poor workman is in perfect character with his usual methods. I am not the fastest roller, but I am faster than the average. As to being a poor workman, does it not seem rather strange that he has been 9 years finding it out? And if my work was unsatisfactory, would it not have been the honest and decent thing to have told me about it, rather than everybody else? The fact that he has recently closed down his plant, does not alter the fact that I filed complaints 5 months ago, and that said complaints are still pending and unsettled. The fact that the majority of the workers may be on charity does not excuse his unfair and inhuman treatment of me nor justify N.R.A. in its failure or refusal to back up its promises.

I do not quite understand the statement that the foreman sent my tools home as a matter of kindness. If it was an act of kindness, would it have been done without explanation, and just when I had notified the company in writing of my cause of complaint and that I intended to file a complaint? His statement that it was done without his knowledge is absolutely untrue. He acknowledged to me on December 9, 1933, that he had discussed it with the foreman and that he had concurred with and consented to the foreman's action. It is true that I worked for him 7 days in December. But did he tell you why? Did he inform you that I had let him know that I had the goods on him and could cause him serious trouble because of many violations of certain statutory laws? Did he inform you that he had agreed to put me to work and keep me working if I would drop any such prosecution? Did he inform you that the 7 days I worked in December was his sole contribution under that agreement, and that as soon as he thought he had me silenced he violated his agreement?

Mr. Orrison has carried out your request that he discuss matters with me in a very characteristic manner. He told me that he had called at your office and discussed the local situation and that he had been advised to see if he could get the defunct compliance board together in order that he might file a petition for certain exceptions to the present N.R.A. provisions. He did not mention my case having been discussed. He stated that he had been told (by whom he did not say) that there would probably be no difficulty about it except that I (being a member of the board) would block his proposition. He carefully explained that if his petition were approved it would enable him to put a number of people to work. He gave many reasons and details to show that a reduction of already inadequate wages and an increase of tolerance ought to prove a blessing. A meeting of the board was called for Monday, April 9, and the record should show that I moved that his petition be recommended for approval. The board's report should be in your office by now. My own case was not mentioned in the meeting.

I am quite willing to cooperate with Mr. Orrison or anyone else for the purpose of reviving the industry. But I am not willing that my case, which should have been definitely settled many weeks ago, shall be dropped or die of inertia. I have worked for the last 3 days with a borrowed typewriter preparing copies of all papers and letters concerning the case, and am mailing the whole mass to my Representative in Congress, with the request that he insist upon a prompt decision of the case, based on the regulations, evidence, and its merits. I have written a complete history of the case, in narrative form, which I propose to publish if N.R.A. refuses to render a just decision.

I have now been unemployed almost continuously for 30 weeks, during which time I have earned \$32.32. Based on N.R.A. minimum, that means the loss of \$327.63. My past experience with Mr. Orrison is such that I cannot depend on any adjustment or agreement made with him, and I can expect him to violate any proposal which might be agreed upon mutually. I am quite willing to discuss the matter with him as you suggest, but I am not willing to accept any proposal which is not in a form that can be enforced. I went to him in December and accepted his proposition, which he promptly violated when it suited his purpose to do so, whatever that purpose may have been.

I am awaiting with no little interest Mr. Orrison's report as to the discussion of the matter with me, and assure you that I will acknowledge and verify any true statement he may make.

Yours very truly,

O. S. HOLLOWAY.

BETHESDA, OHIO, April 12, 1934.

Hon. L. E. IMHOFF, M.C.,
Washington, D.C.

DEAR SIR: I am enclosing herewith correct copies of letters and papers dealing with complaints I filed against the Orrison Cigar Co. on November 9 and 13. I am also enclosing a draft of the story I have written covering the case from the beginning to the present time. I have been very careful to avoid making any statement which the facts will not sustain.

If no satisfactory and prompt settlement of this case can be secured, it is my intention to release this story for publicity purposes. It is not my desire to make trouble, but I have been unjustly and maliciously wronged, and I am thoroughly determined to use every available weapon to fight this thing out from any and all possible angles.

I am sending you these copies of letters and papers with the request that you call on the N.R.A. authorities and insist that they immediately take the action which should have been taken nearly 5 months ago. Since their failure to take any decisive action has caused me to lose \$327.68 in wages, based on N.R.A. minimum, I am insisting that they see to it that this amount be paid to me, together with any amount accumulating between now and the time it is paid.

Now, Mr. IMHOFF, the prompt and successful conclusion of this case is of vital importance to me, and I ask that you use your best endeavors to that end. The State director at Cleveland seems to be using the same dilatory methods which were used at Washington, and I am not willing that there shall be any further delay or that the case shall die of inertia.

Thanking you in advance for your interest in this matter and hoping that you will be able to get prompt and desirable results, I am,

Yours very truly,

O. S. HOLLOWAY.

OFFICE OF STATE N.R.A. COMPLIANCE DIRECTOR,
Cleveland, Ohio, April 23, 1934.

Subject: Your complaint against the Orrison Cigar Co.
Mr. O. S. HOLLOWAY,

Bethesda, Ohio.

DEAR MR. HOLLOWAY: We have received a letter from Mr. D. V. Orrison, stating that he had had a very pleasant and lengthy talk with you relative to the matter regarding which you complained, and he informs us that you now thoroughly understand that it is impossible for him to reemploy you at present.

He stated that if you were unable to get employment elsewhere, he would be very glad to give you work just as soon as possible, or as soon as the company obtained orders for stogies of the type such as you make.

This letter states further "He understands this and I believe he understands that this complaint was really settled and terminated at the time last fall, when a committee from the local compliance board came to him with his complaint at which time I explained to the committee all conditions surrounding his being laid off, together with a number of others that were laid off at the same time.

The respondent informs us that the committee accepted these statements as facts, and informed the respondent that they could not see any reason for the complaint.

Yours very truly,

M. E. WOODS,
Executive Assistant.

BETHESDA, OHIO, April 25, 1934.

STATE N.R.A. COMPLIANCE DIRECTOR,
Cleveland, Ohio.

DEAR SIR: I have for acknowledgment your letter of the 23d instant, advising me of Mr. Orrison's letter and its contents.

I thoroughly understand that he has not reemployed me, but I do not understand the impossibility of such employment. As I have contended for nearly 6 months, I am one of the oldest employees and am capable of making any product he puts out. The factory has been in almost continuous operation during all of the time since my complaints were filed and only one of the rollers working is as old as I, in point of seniority. I am quite well aware of the fact that business has fallen off badly, but I do not admit that as a justification for the treatment I have had.

It is quite true that Mr. Orrison promises to give me work as soon as possible, but he has made like promises before, and besides I should never have been unemployed for more than short periods.

I certainly did not understand that my complaints were really settled and terminated last fall. Nor do I understand that an explanation made by an employer, satisfactory to himself need necessarily be satisfactory to me.

I thoroughly understand that so far as a lone employee, not backed by a powerful organization, is concerned, N.R.A. is impotent and a fraud. I thoroughly understand that better-known persons than I are accusing N.R.A. of having betrayed the worker—the little fellow—such as I. I thoroughly understand that N.R.A. has done nothing for me but get me into a serious situation. I thoroughly understand that the local compliance board's committee who called on Mr. Orrison last fall, betrayed its trust in discussing me personally with him and your office did exactly the same thing on April 5. Mr. Orrison repeated to me statements I had made in letters which he could have learned nowhere else. What right had the local committee to inform the respondent that they could not see any reason for the complaint? It was their duty to ascertain facts and report—not to render one-sided decisions. I thoroughly understand that N.R.A. has utterly failed and refused to take any definite action or render any decision in my case and that it does not intend to do so.

I thoroughly understand that although I had a pleasant and lengthy talk with Mr. Orrison, neither pleasanties or talk will pay my debts and I am in no manner convinced that N.R.A. has not betrayed me.

N.R.A. published the rules and methods by which the individual worker was supposed to secure speedy redress for any wrong on the part of his employer and I followed those rules carefully and the net result has been my betrayal by that division of it which was designed and created for my protection. Or was it created to furnish nice jobs for an army of administrative white collars?

I have carefully preserved all papers and letters—or copies—connected with this case and I intend to use them for publicity purposes. I have furnished my Congressman with a complete record of the case. I have also placed a copy of said record in the hands of Mrs. Cornelia Bryce Pinchot, of Pennsylvania, who

is a militant worker in behalf of just such little fellows as I. It is my intention to place the facts in the hands of any person or organization who will use them. It is also my intention to publish the story in a certain paper of national circulation. I have fought a good fight, but I have not yet finished my course.

Now Mr. Director, the crux of the whole matter is just this: On November 9 and 13, 1933, I filed complaints against the Orrison Cigar Co., definitely charging certain things. The said company was either guilty or not guilty of the charges against them, and I had a right to a definite decision, one way or the other. N.R.A. has persistently refused to stick to the issue, locally, at Washington, or at Cleveland. This seems so plain that a way-faring man, even though a fool, need not err therein.

Yours very truly,

O. S. HOLLOWAY.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., April 28, 1934.

Re: Complaint against Orrison Cigar Co.

Mr. O. S. HOLLOWAY,

Bethesda, Ohio.

DEAR MR. HOLLOWAY: Your complaint against the company mentioned above has been brought to our attention again by your Congressman, LAWRENCE E. IMHOFF.

In reviewing the file we have on your complaint, we have had in mind your personal circumstances, and we regret exceedingly to advise you again that this administration has not been in a position to take action on your complaint. When you made your original inquiry August 26, to Miss M. E. Woods, State N.R.A. director, Cleveland, your employer had not signed the President's agreement, and therefore was under no obligation under that agreement. The Orrison Cigar Co. signed the President's agreement on September 6. You state that after September 16 you worked part time for a brief period, and that for most of the time since September 16 you have not been employed by the Orrison Cigar Co.

As you are fully advised, local N.R.A. compliance boards were established for the convenience of workers and employers, and were charged with the responsibility of securing compliance with the President's agreement through adjustment of complaints. Many complaints, of course, come to us direct, but these were uniformly sent back to the complainant with the suggestion that the alleged violation be called to the attention of the appropriate N.R.A. compliance board. In other instances, if it seemed advisable, we wrote the appropriate boards direct, advising them with respect to the details of complaints, but, of course, withheld the name of complainant.

We mention this procedure with which you are familiar, as because of our distance from the scene of complaints it was necessary that we have boards constituted according to the plan outlined in Bulletin No. 5 and on which we could rely for the determination of facts in connection with complaints. As you have studied Bulletin No. 5, we feel certain that you will agree with us that action by the National Compliance Board at this headquarters could not be taken on alleged violations. The National Compliance Board has required that violations of the President's agreement be definitely established before action could be taken by that Board.

In your letter of December 4 you state that your local board considered your complaint and called on your employer. We have never received any statement from your board that you were discharged because of your complaint, or that your employer was not complying with the President's agreement.

We are making these references to explain why action by this headquarters could not be taken, merely on your charges that the Orrison Cigar Co. was not complying with President's agreement.

As we have gone over your file again, we do not find it is established that you were let out of employment by the Orrison Cigar Co. because you made a complaint, or that at the time you were let out that the Orrison Cigar Co. was violating the President's agreement.

Yours very truly,

ANALYSIS BRANCH COMPLIANCE DIVISION,
By JAMES E. PEEBLES.

BETHESDA, OHIO, April 30, 1934.

Re: Complaint against Orrison Cigar Co.

Mr. JAMES E. PEEBLES,

Analysis Branch Compliance Division, N.R.A.,
Washington, D.C.

DEAR SIR: Your letter of the 26th instant, concerning above matter, is very logical and convincing if one does not insist upon sticking to the issues and to the facts.

You say in your letter, "We regret exceedingly to advise you again that this administration has not been in a position to take action on your complaint." May I ask just when I was so advised? If it is sufficiently important for N.R.A. to justify itself now, why was it not equally important 5 months ago, when the case was turned over to your headquarters, because of the failure and refusal of the local board to continue to function? Your letter was obviously designed, and its logic intended to silence a moron. Your reference to our inquiry to Miss M. E. Woods in August has no bearing on the case and is just so much dust to obscure the issue. We asked the State director for some advice and received a very courteous reply which told us nothing. We sent a rather lengthy telegram to this same Miss Woods at that time, stating

our situation and asking advice. Her wire in reply was delivered by phone to the Orrison office, because it was so addressed, thus ignoring the confidential nature of the communication and beginning the series of betrayals at the hands of N.R.A., covering a period of 8 months. These communications were not personal on my part, but were written with the full knowledge and approval of the other employees. I have not in any letter stated that I had been employed on a part-time basis. I was employed very briefly on a full-time basis but did not earn the minimum wage. I mention this merely for the purpose of showing how utterly impossible it has been to maintain the issue clearly and to prevent perverting and misconstruing the facts.

In spite of all explanations and attempts to justify the shameful manner in which this case has been mishandled, the fact remains that I did my part and in accordance with the rules of procedure published by N.R.A. Your Administration was promptly and fully advised of the facts when the local board refused to carry out the part for which it was responsible, under those rules, 5 months ago. N.R.A. made absolutely no effective move to correct the situation created by this debacle. Your letter strongly intimates that the responsibility for failure to establish the facts charged is mine. Was it within my power and authority to compel the local board to act, or to replace it with a board which would act? That is why I sent the whole matter to Washington 5 months ago.

An analysis of the facts, which does not consider all the facts, may lead to a wholly incorrect conclusion and to a false and untenable position. You have apparently most carefully overlooked some very important facts in analyzing this case. It may not have been the proper procedure for the National Compliance Board to take action on alleged violations, but it was certainly up to someone to provide the opportunity to prove those allegations. I accepted the rules and provisions laid down in Bulletin No. 5 in good faith and acted accordingly and have been betrayed and thwarted at every point.

The committee of the local board who called upon Mr. Orrison last fall not only betrayed their trust (according to their own report) by discussing me personally with him but, according to a recent statement made by Mr. Orrison, in writing to your State headquarters at Cleveland, Ohio, they further betrayed their trust by rendering a secret, unreported, and unauthorized decision that they saw no reason for complaint. On April 5 the State headquarters also played the part of Judas and violated the dictums and rules of N.R.A. by disclosing to Mr. Orrison certain statements I had made in letters, and which he innocently repeated to me without knowing that he was exposing anyone.

Your admission that your office has "never received any statement from your board", proves my contention completely that N.R.A. authorities have betrayed me, either passively or purposely, because you were advised of the defection of the local board. I, being a lone and unknown individual and without the backing of a powerful organization, N.R.A. just could not be bothered with carrying out its promises and enforcing its rules, since my case had no news value for ballyhoo purposes.

To advise me, in the circumstances, that my charges have not been established is merely adding insult to injury. The basis of my fight, covering 6 months, is just that. The failure and refusal of N.R.A. to provide the means of establishing the facts is the real bone of contention. It seems to me that a lengthy and analytical explanation now is somewhat belated and ill-timed. Why not have admitted 5 months ago that nothing would be done?

I can see no way by which I can compel N.R.A. to extricate me from the desperate situation into which it has led me, both through the published rules contained in Bulletin No. 5 and by direct instructions and assurances from headquarters. Neither can I see any means by which N.R.A. can prevent me from exposing its failures and betrayals.

I am not an analytical expert, but I can marshal the facts and prove them by the record, and the record will bear out my assertion that I have been betrayed and that N.R.A. is impotent or has perpetrated a cruel fraud. I can see no reason why I should not, if I so desire, cast this thing into the maelstrom of the oncoming political campaign, so long as I stick to facts and the record.

Yours very truly,

O. S. HOLLOWAY.

BETHESDA, OHIO, April 30, 1934.

HON. LAWRENCE E. IMHOFF,
Member of Congress, Washington, D.C.

DEAR SIR: I am enclosing herewith copy of a letter from N.R.A. headquarters, together with a copy of my reply thereto for your information.

Yours very truly,

O. S. HOLLOWAY.

NOTE.—No acknowledgment of above letter has been received.

Mr. FESS. Then, Mr. President, I have other letters of the same date that deal with the clay-products industry, showing the effect of the N.R.A. upon a small unit. These letters are very informing as to the definite effect of the operation of the N.R.A. on this particular industry, and I should like to have the letters inserted in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

MOWRYSTOWN BRICK & TILE Co.,
MOWRYSTOWN, OHIO, May 18, 1934.

Mr. SIMEON D. FESS,
Senator, Washington, D.C.

DEAR SIR: I notice in the daily paper that you are one of the champions of the N.R.A. opponents, and since we have been unable to get any satisfactory adjustment with the code authority I thought I would write you encouraging you to go ahead with your work and that the great majority of the people are with you, the newspaper propaganda notwithstanding.

Anyone with any common sense knows that a plant or business employing 20 to 50 men cannot operate on the same basis as the plant or business employing up in the thousands of men, and, of course, this was one of the objections pointed out at the beginning, and the administration promised that the conditions would be adjusted for any small business that was oppressed, but of course events have proved that this was all bluff and that the little business man and manufacturer are being forced out of business every day.

My business is the poorest this spring that it has been in 25 years, and people in other lines tell me the same story, so you can be assured that this newspaper prosperity is all propaganda. As the automobile business is the only one that is greatly improved and, of course, that will slacken in a few weeks when their spring rush is over.

The building business, with all its branches, employs more people than any other one line, as you possibly know, and this business is so dead that there is scarcely a kick left in it. Since we have failed to get any adjustment from the code authorities we are living in hopes of a strong Republican victory for Congressmen this fall so that these idiotic laws may be repealed next January as soon as Congress meets.

I have talked to many hundreds of people, and I believe that 80 percent of them feel as I do about the N.R.A., and the farmers are especially bitter about the treatment accorded them.

I am enclosing copy of a letter sent to Gen. Hugh S. Johnson on January 10, and have received the first answer January 22 from R. J. Fogg, Assistant Deputy Administrator, who says that he cannot see how relief can be offered, but that he would refer it to the code authority. On May 1, I received another letter from Mr. Fogg, in which he says that he does not see how a wage exception can be made; therefore, we are shut down indefinitely, the first time this has happened in 25 years.

I feel sure that if the whole N.R.A. was scrapped we would have much faster recovery, as at the present but few people have confidence in the Government.

Yours very truly,

W. L. BELTZ.

MOWRYSTOWN BRICK & TILE Co.,
Mowrystown, Ohio, February 10, 1934.

Gen. HUGH S. JOHNSON,
Administrator, Washington, D.C.

DEAR SIR: As you will see by this letterhead I am the sole owner of the so-called "Mowrystown Brick & Tile Co.", and have been for 27 years. This is the only plant left in this part of the State out of about 20 plants that were in this district about 25 years ago. Possibly my being able to stay in the business and stand the competition of the larger eastern producers is on account of hard work and economical management, and being in a little country town where living expenses are the very lowest, so that my men could afford to work for a lot less money than some of the big plants were forced to pay, yet were able to live very comfortably and own their own property and be as independent as any of us.

Every location for any kind of business has its natural advantages and natural disadvantages. Our natural disadvantages have been high freight rate on coal and of late years distance from market and our natural advantage has been low price of labor. If the Government by the use of codes leaves me all the natural disadvantages and takes away all the advantages, that automatically puts me out of business, and all my force, which I have employed through the depression, out of jobs for an indefinite period.

Twenty years ago 80 percent of our market was within a radius of 25 miles, with an average of about 12 miles. Today 80 percent of our market is over 40 miles, with an average of about 35 miles. This, of course, applies to delivery direct by truck from the plant. Of course the rail haul would be greater.

I think that in keeping my men working 9 to 10 months per year through this hard time that I have done far more than my competitors in keeping things going, although I had to sacrifice practically all of my profit, but it has enabled a lot of people to get some good, cheap houses which otherwise they would not have been able to build.

I understand, of course, that all of the codes were written by the big men of the industry, and of course they wrote it to suit themselves and their own conditions just as far as they could, and that all of the officers in charge are city men and cannot understand how a man in a little town of 372 people can live well on \$8 or \$10 per week.

In talking with a number of the people in the cities I find that the average working man expects to pay a week's work for a month's rent. In this small village my men have been able with 1 week's pay to pay 2 months' rent; and since all of them have gardens and can buy produce direct from the farms without any

middleman's profit, they can live well on a fraction of what it costs a man under like conditions to live in any city.

I am enclosing a chart showing prices we got for drain tile and brick and price we paid for common labor and coal delivered at the plant each year, beginning 1914, up until the present time. You will note that the highest price I paid was 30 cents per hour, when common labor in the city was getting from 60 cents to 80 cents per hour. Many of the men that worked here during the boom period of 1917-20 and from 1925 to 1930 left me and went to the cities to get those high wages, but the large part of them returned, saying they could live just as well here at half the price they were getting in the city.

In a small town like this, and a small business where not more than 25 men are ever employed, the employer and employee are nearly always friends and neighbors, and for the employer to work the sweatshop principle is utterly impossible. I have several men who have been here for from 10 to 18 years, so that if the wage and working conditions were not fair no sensible man would stay that long.

Some of our competitors have their own coal mines, and, of course, practically all that it would cost them for coal is to mine it, which possibly runs around \$1 per ton, while I have to pay a high freight rate and a commission in addition to the price of coal, which gives my competitors east of us 100 miles quite an advantage; in fact, our coal at the present price delivered to the plant is \$3.77 a ton on car, besides the unloading charge.

We usually work every day through the summer, or beginning about March 1 to 15, and operate till about the 1st of December (this last year we quit Nov. 15), and use the same men during the colder months for extensions or repair work. We do not intend to make any extensions, but there is some repair work to be done, and my men are anxious to get to work, and I am ready to put them to work, but not at 37½ cents per hour. By paying 25 cents per hour my pay roll will be increased just 33 percent,

and that is all that I can possibly stand with the selling price anywhere near what it is now.

As mentioned before, I have been operating at 60 to 80 percent of capacity and operating many weeks just to give my men work, and, of course, being a small concern, had to sell the product largely as it was made; therefore, I do not have many millions of brick piled up like lots of my competitors. If I sell brick now, I will have to make them, and, of course, that means employment; while many of my competitors have many millions in stock, and when they sell a carload or a dozen carloads, all that labor gets out of it is the loading in the cars, and, of course, these were produced in many cases with labor at less than 37½ cents per hour. So that I do not see how a small manufacturer located as I am can work under the code and survive. This is the only industry in this small town, or, in fact, for several miles around, that employs more than five men, and to shut this plant down indefinitely is a blow to the community, especially the merchants say they can tell quite a difference when the plant is operating and when it is not.

In 1932 I paid 20 cents per hour and lost just a little money, and in 1933 I paid 15 cents per hour the first half of the year and 20 cents per hour the last half and made a little money. So you see that labor is getting their share, as I am getting all that I can get for the product as demands and competition sets the price, and I want to state again that the competition from the larger plants who have their own coal mines are the ones that are holding the price down.

My men are reasonably satisfied and can make a nice living at 20 cents per hour, but I am willing to make a try on 25 cents per hour if you will give me the authority to do so.

Hoping to hear from you promptly so that I can put these men to work on a repair job, I am,

Yours very truly,

W. L. BELTZ.

Year	Products	Wage and coal
1914.....	Common brick, \$7.50 per M; 4-inch drain tile, \$0.24 per rd.....	14 cents per hour, 10-hour day; coal, \$2.20 per ton delivered.
1915.....	do.....	Do.
1916.....	Brick, average, \$8 per M; 4-inch drain tile, \$0.24 per rd.....	15 cents per hour, 10-hour day; coal, \$2.40 per ton delivered.
1917.....	Brick, average, \$12 per M; 4-inch drain tile, \$0.26 per rd.....	20 cents per hour, 10-hour day; coal, \$5.10 per ton delivered.
1918.....	Brick, average, \$15 per M; 4-inch drain tile, \$0.32 per rd.....	24 cents per hour, 10-hour day; coal, \$5.44 per ton delivered.
1919.....	Brick, average, \$19 per M; 4-inch drain tile, \$0.40 per rd.....	27½ cents per hour, 10-hour day; coal, \$5.24 per ton delivered.
1920.....	Brick, average, \$22.50 per M; 4-inch drain tile, \$0.45 per rd.....	30 cents per hour, 10-hour day; coal, \$6 per ton delivered.
1921.....	Brick, average, \$19 per M; 4-inch drain tile, \$0.45 per rd.....	24 cents per hour, 10-hour day; coal, \$6 per ton delivered.
1922.....	Brick, average, \$14 per M; 4-inch drain tile, \$0.32 per rd.....	24 cents per hour, 10-hour day; coal, \$7.25 per ton delivered.
1923.....	Brick, average, \$20 per M; 4-inch drain tile, \$0.40 per rd.....	24 cents per hour, 10-hour day; coal, \$5.25 per ton delivered.
1924.....	Brick, average, \$19 per M; 4-inch drain tile, \$0.36 per rd.....	25 cents per hour, 10-hour day; coal, \$4 per ton delivered.
1925.....	do.....	30 cents per hour, 10-hour day; coal, \$3.75 per ton delivered.
1926.....	do.....	30 cents per hour, 10-hour day; coal, \$4 per ton delivered.
1927.....	Brick, average, \$16 per M; 4-inch drain tile, \$0.36 per rd.....	30 cents per hour, 10-hour day; coal, \$4.25 per ton delivered.
1928.....	Brick, average, \$17 per M; 4-inch drain tile, \$0.36 per rd.....	30 cents per hour, 10-hour day; coal, \$3.75 per ton delivered.
1929.....	do.....	Do.
1930.....	Brick, average, \$15 per M; 4-inch drain tile, \$0.36 per rd.....	Do.
1931.....	Brick, average, \$12.50 per M; 4-inch drain tile, \$0.32 per rd.....	22 cents per hour, 10-hour day; coal, \$3.50 per ton delivered.
1932.....	do.....	22 cents per hour, 10-hour day; coal, \$3.10 per ton delivered.
1933.....	Brick, average, \$11 per M; 4-inch drain tile, \$0.32 per rd.....	17½ cents per hour, 10-hour day; coal, \$3.20 per ton delivered.

Mr. FESS. Then, Mr. President, in respect of the effect of the N.R.A. upon the small newspaper, I have a letter here which begins in this fashion:

As a printer and employer of labor for 38 years, having in our employ an average of 10 persons, paying wages in full every Saturday night for that period, I desire to call your attention, and that of the United States Senate, to the impending results of the graphic-arts code, to which we have never subscribed.

This is a most informing letter, from the owner and publisher of one of the small newspapers in Ohio, dealing with the business side of that industry in its relationship to the N.R.A. I should like to have that letter inserted in the RECORD, at the same time letting it be understood that the letters I have submitted are just general selections from a day's receipt of mail as to the opinions of the writers on the operation of the N.R.A. as it applies to small industries. I thank my friend the Senator from Iowa.

The PRESIDING OFFICER. Without objection, the letter referred to by the Senator from Ohio will be printed in the RECORD.

The letter is as follows:

THE JEFFERSON GAZETTE,
Jefferson, Ohio, May 18, 1934.

In re: The little man and the printers' code.
Senator S. D. FESS,

DEAR SIR: As a printer and employer of labor for 38 years, having in our employ an average of 10 persons, paying wages in full every Saturday night for that period, I desire to call your attention, and that of the United States Senate, to the impending results of the graphic arts code, to which we have never subscribed.

We signed the President's blanket code, right or wrong, and have complied with it, although the reduction in hours did not add to our employment but did add to the difficulties of maintaining what for years has been a profitable business, and satisfactory to

our employees. We never have had any labor trouble, and have one man with us for 38 years and none with us now less than 5 years. We carried employees during the depression at a loss to ourselves of several thousand dollars rather than dismiss them.

We were informed by the Employing Printers of Ohio, "Your code has been signed", and were urged to attend a code meeting, after the code was signed, held at Columbus on March 16, 1934. The Employing Printers announced themselves as State regional code authority. Knowing the head of this organization we neither protested nor assented.

TAXED BY NATIONAL ASSOCIATION

About a month ago we received a letter from a gentleman—God save the name—residing in Chicago, demanding that we remit within 7 days the sum of \$13 as a code assessment. On the demand was the intimation that inability or refusal, as the case might be, to remit would result in a fine and imprisonment. Therefore, in this once Republic of the United States we now have code authorities having all the power of taxation and of making rules and regulations having the force and effect of law. By what constitutional authority have there been established some 400 governments within the National Government, which the citizen has no opportunity to question and act against any expenditure, any rule, any order, and no longer has any control of his own business?

General Johnson asks where are the little men that these codes affect, and further says that if there be such who cannot comply with the terms of their codes there is no place for them in these United States. I regret that a similar statement has been made by the President of the former Republic of the United States of America.

Within a few days we have received a "black book" with white lettering, which I suppose is the code for mourning, in which we are informed as to the minimum prices we may charge for printing, and that to charge any lesser price subjects one to fine and imprisonment. These prices are supposed to be uniform in the United States, with certain reductions if permission be applied for and be granted. As job printing is usually of a rush-order business, I suppose Rip Van Winkle would now be a successful printer.

UNFAIR PRICES IN THE CODE

That the code is manifestly unfair to small print shops can be seen from examining the code price book—the book of mourning.

For instance, this letterhead is printed on a paper ordinarily costing about 15 cents per pound delivered, 20-pound stock, making the paper cost for 1,000 copies \$1.50. A fair cost of composition is 50 cents to \$1, and a fair cost of presswork is \$1 for 30 minutes' presswork. We would make a fair profit at \$5.50. Under the code we must charge \$9.50 for 1,000 copies or \$17 for 3,000 copies. It is needless to state that the average rural print shop order is less than 1,000 copies of any item it produces.

The prices on envelopes have not been increased enough to greatly concern us.

The price of a cardboard farm auction sale bill is fixed at \$12 for 100, whereas we have charged \$6 per 100 for several years, and consider the gross cost to us as about \$3, assuming we can produce a fair number of orders in the auction season.

The result of this price fixing is that farmers will refuse to buy sale bills and country merchants and professional men will refuse to buy printed stationery. This may mean little to some people, but it means life or death to thousands of small printers in the United States, who in few instances are competitors with the larger shops.

Prior to 1932 this shop paid for 48 hours' work one \$50, two \$35, one \$32, one \$25, three \$22, one \$18, and one \$12. It is needless to say we cannot survive on that scale these days with business at 50 percent of the average for 15 years. This does not include anything to the two proprietors for their labor—usually more than 8 hours a day—who in fact were as much laborers as any employee.

PAMPHLET WORK

We have one customer who orders three times a year a pamphlet 6 by 9 inches, about 135 pages. The composition is known as "phat", not much to a page. For this work we receive \$175 each time. Under the code we must charge \$556 per job, as near as we can figure from the black book. It is needless to say the customer will drop the work (100 copies only).

We have another customer for whom we printed 3,500 copies 64 pages tabular work and advertising, price \$330, which was a close figure and should have been more. The job was taken to give employment rather than profit.

But the black book proposes to send us to jail and fine us for giving employment unless we charge therefor \$443 plus \$31.80 for covers—a price we cannot obtain.

WHAT THE CODE MEANS

That the code is merely an effort to make it difficult for a small printer and easy for the large printer may be seen from the following on page 2 of the said black book:

"No establishment shall sell or offer to sell any product listed in the price-determination schedule issued by the National Graphic Arts Coordinating Committee of the Graphic Arts Code attached hereto and made a part hereof at a price less than 10 percent below the price for such product contained in said price-determination schedule.

Provided, that this prohibition shall not apply to any single order exceeding \$500 in amount nor to any combined order exceeding \$5,000 in amount, nor to any order actually contracted for and exceeding \$5,000 in amount per year.

Under the second paragraph a large city printing plant can contract with the county commissioners to do all of the county printing, because it will exceed \$5,000 in a year, and make prices per item as it sees fit, but the country printer, being unable to supply every county requirement, may thus be automatically barred from obtaining any printing whatever, because he must charge the utterly absurd code prices or go to jail.

Under this exemption a canvasser can come into our territory and secure all of the local printing from regular customers of this shop at prices below our ability to meet because the prices in the code on orders of 5,000 or more are low prices, and thus completely eliminate all local competition for all printing.

And this, Senator Fess, is in the United States of America called the "new deal." This is known as "revolution without the r." If this be evolution, then, Senator, I can easily understand why in evolution there has been so much monkey business.

Respectfully yours,

E. C. LAMPSON,

One of the little men for whom there is no place left in the United States, where several of his direct ancestors fought in the American Revolution—that was not monkey business.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries, who announced that the President had approved and signed the following acts:

On May 21, 1934:

S. 2825. An act to provide for an appropriation of \$50,000 with which to make a survey of the old Indian trail known as the "Natchez Trace", with a view of constructing a national road on this route to be known as the "Natchez Trace Parkway."

On May 22, 1934:

S. 2845. An act to extend the provisions of the National Motor Vehicle Theft Act to other stolen property; and S. 3364. An act for the relief of G. T. Fleming.

On May 23, 1934:

S. 1807. An act to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.

RECIPROCAL-TARIFF AGREEMENTS

The Senate resumed the consideration of the bill (H.R. 8687) to amend the Tariff Act of 1930.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Johnson	Robinson, Ind.
Ashurst	Couzens	Kean	Russell
Austin	Cutting	Keyes	Schall
Bachman	Davis	King	Sheppard
Bailey	Dickinson	Logan	Shipstead
Bankhead	Dieterich	Loneragan	Smith
Barbour	Dill	Long	Steiwer
Barkley	Duffy	McCarran	Stephens
Black	Erickson	McGill	Thomas, Okla.
Bone	Fess	McKellar	Thomas, Utah
Borah	Fletcher	McNary	Thompson
Brown	Frazier	Metcalf	Townsend
Bulkeley	George	Murphy	Tydings
Bulow	Gibson	Neely	Vandenberg
Byrd	Glass	Norbeck	Van Nuys
Byrnes	Goldsborough	Norris	Wagner
Capper	Gore	Nye	Walcott
Caraway	Hale	O'Mahoney	Walsh
Carey	Harrison	Overton	Wheeler
Clark	Hastings	Patterson	White
Connally	Hatch	Pittman	
Coolidge	Hatfield	Pope	
Copeland	Hayden	Robinson, Ark.	

The PRESIDING OFFICER (Mr. GEORGE in the chair). Eighty-nine Senators having answered to their names, a quorum is present.

Mr. BAILEY. Mr. President—

The PRESIDING OFFICER. The Senator from Iowa [Mr. DICKINSON] is entitled to the floor. Does he yield to the Senator from North Carolina?

Mr. DICKINSON. I yield.

Mr. BAILEY. Mr. President, I rise to submit a few remarks in view of the agitation and discussion concerning the N.R.A. and the report of the Review Board and the animadversions arising between the parties.

I listened with a great deal of interest to the very able and convincing exposition of N.R.A. operations by the senior Senator from Arkansas [Mr. ROBINSON]. If I am not mistaken, he described recent events as "a storm of wrath and vituperation." I think the description states the case. I shall address myself just to that aspect of the matter.

Mr. President, why should there be a storm of wrath and vituperation in view of a report of a Board of Review appointed by the President seeking, as I take it, to discharge its duties? Why should petitioners before a bureau or department of our Government, undertaking to describe their situation in view of the Government's operations, be subjected to wrath and vituperation? How can we reconcile with any understanding of civilization, not to say Americanism, but mere civilization, the response of men in authority to criticism by way of wrath and vituperation? It is my understanding that the humblest citizen of America may criticize his Government, may file his petition, may state his case, may set forth his wrongs and demand his rights without paying to anybody anywhere any penalty whatsoever.

I will grant the Board of Review was all wrong, though I do not know whether it was or not. I am not going to discuss the merits of its report. But the Board of Review, upon filing its report, was pilloried before the American people as having acted in bad faith. One of the officials not directly criticized responded by way of intimating that they were insane, and suggested that an examination be had as to their sanity. Is that becoming a free government? It does not even become a despotism. Mr. President, that is of the essence of intolerance, and I hope we still may feel that

the air of our land is too pure for intolerance to be breathed into it.

What may we say with respect to those authorities, concerning whose operations a board appointed by the President filed a report containing some criticism and some suggestions, responding thereto not with facts but with wrath and vituperation? What shall we say of public officials, public servants—not masters in America, but servants—who, upon reading a report containing testimony of American citizens concerning their relation to operations of the Government, denounce those citizens as chiselers, charging them with bad faith, and, if I read aright, describing them as ragtags and bobtails? That is intolerance.

It is this feature of this matter that arouses me and demands my appearance here on this floor.

I am perfectly willing to give the N.R.A. the fairest opportunity conceivable, since it is the public policy. I am perfectly willing to pursue, with respect to it, the course of patience and of tolerance and of constructive helpfulness. I am perfectly willing to pay tribute to General Johnson. I believe I will. I think General Johnson has labored at his task with all diligence and with great earnestness and devotion. I give him credit for patriotic self-sacrifice; but I deny his right and I resent his course as I would resent the course of any other public servant whatsoever, no matter how high his station; I would resent the course of any Senator who responded to legitimate criticism with abuse and denunciation.

America must be free. The American man must be free. This is not the land of suppression of opinion, even of wrong opinion, by means of the intolerance of a public opinion aroused by means of public servants; and I may add here that that sort of suppression can be made more effective and more destructive of our Government than the jails of Russia or the castor oil of Italy.

I stand here, Mr. President, to maintain just one thing: Let the N.R.A. go on. Let us be helpful toward it; but, even more, let the freedom of the American man be preserved; and that means that he may stand anywhere and at any place, he may assert and seek to maintain his cause, and he must not be subjected to the restraints of official denunciation; and if we permit it by way of denunciation and wrath and of vituperation it will be but a short step to the inquisition, the rack, and the wheel.

So I protest against what appears here to have cropped out as something in the nature of the intolerance of a despotic state of mind. I stand here to say that for my part, regardless of whomsoever may be involved or whatsoever may be the cause or the law or the policy, I hope the time never will come in America when the freedom of the humblest American man, be he ever so wrong, be he ever so mistaken, will be hindered in the slightest degree by any public official. It is of the very essence of things that we shall remember that every public servant in this land is a servant, not a master. While he may respond to criticism, let him respond with the facts. Let him give us the truth and let him by all means take warning that, whether he thinks he can get away with it or not, no one will ever get away in America with the effort to suppress opinion or suppress criticism by official intolerance exercised in a policy of personal abuse.

I thank the Senator from Iowa.

Mr. DICKINSON. Mr. President—

Mr. FESS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield to the Senator from Ohio.

Mr. FESS. After listening to the statements of the Senator from North Carolina, which are always edifying, I wish to ask him whether he recalls the classical statement of Voltaire when he said, speaking of the right of someone to say what he had in mind: "I do not believe a word you say, but I am willing to give my life to secure your right to say what I do not believe?"

Mr. BAILEY. And, if I may interrupt the Senator, while that should obtain between man and man devoted to tolerance and freedom, it is of the very essence of government

that men in the Senator's position and mine shall see that it is maintained as between the public servant and the citizen.

Mr. FESS. I agree with the Senator.

Mr. DICKINSON. Mr. President, as stated on the floor yesterday, the right to tax is the right to destroy; and we have had grounded in the fundamentals of our Government by our forefathers that taxation without representation is unjust. Yet we see here a general tendency all along the line to disrupt the fundamentals of our Government, and, in my judgment, to strike at the very vitals of our governmental organization.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. DICKINSON. Yes.

Mr. LOGAN. Do I understand the Senator to agree with the statement that the power to tax is the power to destroy?

Mr. DICKINSON. It is.

Mr. LOGAN. Then what are our courts for, if not to prevent unjust taxation, thereby always protecting the taxpayer from a tax which would destroy?

Mr. DICKINSON. Suppose we had a Government which imposed a tax that did destroy, and yet it came within the legal purview of the taxing laws?

Mr. LOGAN. Let me say to the Senator that I have had some experience in tax matters and in tax legislation. If there is any statement that was ever made by the Supreme Court that is wholly untrue, it is the statement that the power to tax is the power to destroy, because all other courts everywhere protect the taxpayer against the imposition of taxes which are confiscatory. There is no law better settled than that.

Mr. DICKINSON. The point here is, however, that if we give this power to the President he will have the right to levy a tax. It will not be levied by the representatives of our Government.

Mr. LOGAN. That is very true.

Mr. DICKINSON. It will be levied by the Chief Executive of this country. He can levy that tax in a way that will destroy an institution, and for it there will be no recourse.

Mr. LOGAN. But the Senator is talking aside from the question of the power to tax being the power to destroy. This is not, as I view this bill, the power to tax at all, but it is the power to regulate commerce; and regardless of what the Senator from Iowa or any other Senator may think about it, nowhere has a single right been taken away from any citizen which he enjoyed under the Constitution by reason of any law that has been passed by this Congress during the present administration, or any other, so far as I know.

Mr. DICKINSON. I do not concur in the judgment of the Senator from Kentucky; and in a little while I shall cite to him the powers which have been taken away from Congress and from the citizens of this country and from their representatives, and I shall detail the statutes that have done it.

Mr. LOGAN. I do not want to interrupt the Senator further, and I will not do so; but I reserve the right, after he shall have concluded, to take up his mistaken views about the matter and attempt to instruct him regarding it.

Mr. DICKINSON. With my high regard for the Senator from Kentucky, I assure him that I shall listen to his views with keen interest.

Mr. FESS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. FESS. Referring to the astonishing statement of the Senator from Kentucky [Mr. LOGAN] denying the statement of John Marshall that the power to tax carries with it the power to destroy, how can he reconcile his view with the actual fact that, while States can issue currency, and did so up to the Civil War, and could do so now, the Federal Government has taxed State currency 10 percent, thereby killing it? There has not been a single State currency issue since that day, and yet the State has the authority to make

such issues, just as it always had. Is not that a case where the power to tax was the power to destroy? Let the Senator consider that when he comes to discuss the matter.

Mr. LOGAN. I beg to say to the Senator that I shall consider that, and I shall try at some time to explain it; but the statement made by the court has been quoted hundreds of times by able lawyers like the Senator from Iowa, and quoted in connection with tax questions, when it had no application.

The power to tax is the power to destroy where there is no protection in the courts against the taxing authorities; but in America, in this Republic of ours, the fathers who promulgated and adopted our Constitution specifically provided that that should not be done which would confiscate the property of a citizen. If the power to tax leads to the confiscation of property, the citizen has a plain, adequate remedy at law that will prevent such confiscation.

So no industry can be destroyed by taxation; and what the Senator from Ohio refers to was not an industry. It was the exercise by the Congress of a police power—not the power to tax, but a police power that was incidental to the power to tax.

Mr. DICKINSON. Mr. President, I think the philosophy beneath this bill is entirely wrong, and I was amazed yesterday at the statement of the senior Senator from Tennessee [Mr. McKellar] when he said:

Mr. President, may I answer the Senator from Louisiana? When this power was given the Republican President it was given to him for the purpose of raising the tariff duties, and we all know it. There is not any doubt about it. We all know exactly the purpose for which the power was given him. The power which is given the present President is to decrease tariff duties.

It has been my understanding all the while, it is my understanding now, that the President, under the existing law, has the right either to raise or lower tariffs, under certain machinery, and if this bill shall be enacted, he will have the right to either raise or lower tariffs. If this philosophy is the philosophy that is being carried out, and if it is the intention of this administration to work along this line, then I say it casts a greater fear over industry and business in this country than has heretofore been predicted.

In the general statement as to what has transpired under the new administration, I wish to quote, first, Virgil Jordan, who I think is one of the leading economists of the country, an economist for the Industrial Conference Board. He said:

I regard what has occurred in the United States during the past year as perhaps the greatest catastrophe in the history of civilization, and certainly the most profound that has happened to us in America. Accidentally and unconsciously in this catastrophe much of the essential and unique virtues of the American system have been destroyed.

I wish to go a little further than that. A day or so ago Frank Kent, in the Baltimore Sun, under the heading "Ebbing of the Tide", published an article from which I wish to quote.

Mr. HATFIELD. Mr. President, referring to what the Senator said just a moment ago, what is the cause of the destruction?

Mr. DICKINSON. The type of legislation enacted, the character of program adopted, and the effect of that program upon the economic, financial, commercial, industrial, and agricultural interests of this country.

Frank Kent, in yesterday's Baltimore Sun, said:

Within recent weeks there has been a rapidly increasing belief that he—

Referring to the President—

has started a great many unsound, unnecessary, unmanageable, and terrifically expensive things, which cannot work out. The general confusion, which in the N.R.A. has almost reached the point of demoralization, is sensed by the people. There is a hint of disintegration in the air. Through personal appeal it is possible the President may rally popular support and reassure the people that we are still "on our way." It is possible, too, the administration propaganda can keep up the illusion that criticism comes exclusively from the wicked.

It is doubtful, however, that anything can restore the unrestrained enthusiasm of a year ago, which enabled the administration to launch its program with almost united support. Six

months ago public opinion and private opinion were identical and almost entirely favorable. Today public opinion is still to a large extent supporting, but private opinion has swung the other way. This is evident, not only among business men but in Congress and within the administration itself.

Then Frank Kent goes on to cite, first, the cancelation of the air-mail contracts; second, the effort to prosecute Mellon criminally; third, the effort to commit the Senate, including such a man as the senior Senator from Virginia [Mr. Glass], to a commission and stock exchange bill; and then, in the end, have a reversal of the policy.

Next he refers to the treatment of the Darrow report in the N.R.A., where it was concealed for a week or more, and its authors were accused of bad faith, and so forth. Last he names the silver question, which we have had both pro and con here all winter long; and he suggests that all this leads to uncertainty in the mind of the American citizen as to what he will be able to do on the morrow to prevent the kind of collapse which inevitably will come unless something can be started on the upgrade.

Following out the same suggestion with reference to the transferring of legislative power to the Executive, I wish to suggest that the first time that question was brought up under the present administration was in the inaugural address. I shall now quote from the address of President Roosevelt, delivered at the time of his inauguration, when he said, as appears on page 4:

But in the event that the Congress shall fail to take one of these two courses, and in the event that the national emergency is still critical, I shall not evade the clear course of duty that will then confront me. I shall ask the Congress for the one remaining instrument to meet the crisis—broad Executive power to wage a war against the emergency, as great as the power that would be given to me if we were in fact invaded by a foreign foe.

Let me suggest that no legislation was ever asked that was refused, and no proposed legislation was ever sent to the Congress that did not have embodied in it a request for the transfer of legislative power; and, of course, I refer to major pieces of legislation.

We started with the Economy Act, wherein we gave all the power to the President to fix pensions, undoing legislation which had been on the statute books for 75 years.

Then we took up the other measures, all of which implied the transfer of legislative power to the Executive.

If the Executive were carrying out the platform on which he was elected, I would not feel so bad; but I find that he is not carrying out the platform upon which he was elected, and therefore it is essential for us to know whether or not there is a tendency toward a dictatorship or an Executive assumption of power that was not intended by the electorate when they voted for the present incumbent.

First let us take the Industrial Recovery Act. It is stated in section 1:

It is hereby declared to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tends to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action by labor and management under adequate governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required).

To effectuate the policy of this title, the President is hereby authorized to establish such agencies—

And so forth. That is the basis of the Executive orders which have made up the industrial recovery administration.

Let us go a little further: Who was there in the Senate or in the House of Representatives who expected, when the National Recovery Act was passed, that we were going to have 75 or a lesser number—I have forgotten; the last time I counted the number was somewhere around 45—new bureaus, of different kinds, various councils and boards, all for the purpose of doing a particular thing, and most of them for the purpose of interfering with private business? Yet they grew up under the National Recovery Act, purely

under the authority conveyed to the President by that legislation.

Mr. HATFIELD. Mr. President—

The PRESIDING OFFICER (Mr. Brown in the chair). Does the Senator from Iowa yield to the Senator from West Virginia?

Mr. DICKINSON. I yield.

Mr. HATFIELD. The Hoover administration was very much criticized for the boards brought into existence by it, was it not?

Mr. DICKINSON. The Democratic Party made an issue in the campaign the fact that there were useless bureaus which should be eliminated, and that Government expenditures should be curtailed.

Mr. HATFIELD. Does the Senator know the number of additional bureaus in this administration over the number in the Hoover administration?

Mr. DICKINSON. It is my understanding that it is somewhere around 40; some have put the number as high as 60, but I do not know of anyone who can make an accurate inventory. I understand that the last one was named to give out information along that line, a man by the name of Walker, resigned because he could not keep up with the procession.

Mr. FESS. Mr. President, any figure given today would be out of date tomorrow.

Mr. DICKINSON. It would be out of date tomorrow because if something happens, another professor is called in, another million dollars is allocated, and a new bureau is set up.

Mr. HATFIELD. Does the Senator happen to know the number of laboring people out of employment at the beginning of the present administration?

Mr. DICKINSON. My recollection is that it was somewhere around ten million.

Mr. HATFIELD. Does the Senator know how many are out of employment now?

Mr. DICKINSON. The last report, as I recall, showed that 10,800,000 were out of employment.

Mr. HATFIELD. And that, notwithstanding all the power that has been given by Congress to the Executive?

Mr. DICKINSON. Yes; notwithstanding all the power that has been given by the Congress, and notwithstanding the expenditure of some five or six billion dollars of borrowed money, at the expense of the people of the United States.

Mr. HATFIELD. The borrowed money to which the Senator has reference comes from the Treasury of the United States and must be repaid by the taxpayers some day?

Mr. DICKINSON. Yes; they must foot the bill.

Mr. HATFIELD. But what would the Senator say as to the amount of money that has been collected from the industries to carry on the National Industrial Recovery Act?

Mr. DICKINSON. I have some data with reference to the trucking code. It was estimated that over \$3,000,000 was collected from the trade to pay the expense of the board of managers for that one code alone; and it has been estimated that if we could get together all the codes and show the expenses that are levied on the various business enterprises of this country, it would run up to a half billion dollars a year.

Mr. HATFIELD. I think the Senator underestimates the amount, Mr. President. For instance, in the bituminous-coal industry, which is a very large one, some groups of that industry pay 2 percent; other groups pay 5 percent; others pay 3 percent. I think the Senator from Iowa would be well within a safe estimate to put the figure at least at \$1,000,000,000 a year. None of these collections are made upon the basis that the amounts have been paid. They are simply requests for a contribution over a certain period of time—say, 1 month or 3 months—with the books left open to make additional collections if it becomes necessary in the estimation of those who are responsible for the administration of the act.

Mr. DICKINSON. As a matter of fact, they are simply direct levies on all business.

Mr. HATFIELD. Absolutely.

Mr. DICKINSON. I understand that in the automobile business every retailer is charged 0.1 of 1 percent on the total amount of his sales. If he sells a car for \$1,000, 0.1 of 1 percent, or \$10, goes to the code authorities to maintain their existence.

I think the vicious feature is the fact that we know of specific instances where certain assistant directors who have been working in the N.R.A. have been taken out of their particular positions and put in charge of code authorities, and given very large salaries. That situation ought to be investigated by the N.R.A., or by a Senate committee, or by someone, so as to find out how much the poor public is being imposed upon.

Mr. HATFIELD. Of course, Mr. President, the Senator understands that all these items go into the cost of production.

Mr. DICKINSON. Oh, yes; but the consumer pays the bill. There is no question about it. He is the victim in all these enterprises.

Mr. HATFIELD. The Senator is aware of the fact that the prices paid today for commodities, for instance, of the staple industries such as the coal business and, possibly, the automobile business, are higher than at any time since the war.

Mr. DICKINSON. Yes; and on top of that, competition has absolutely ceased. For instance, I heard of a situation where 400,000 barrels of cement were being contracted for. There were four or five or six companies bidding, and every one of them bid exactly the same price to a nickel.

Mr. HATFIELD. Mr. President, is it not a fact that those who are operating under the codes are penalized if they dare to sell for one cent less than the price prescribed under the code by the code authorities?

Mr. DICKINSON. That is absolutely true; and it is a part of the whole machinery.

Mr. HATFIELD. And the penalty is \$500 fine, with 6 months in jail, and each individual day of offense is an individual crime.

Mr. DICKINSON. That is correct.

Mr. FESS. Mr. President, the Senator will not overlook the fact that the increase of the price of commodities is the major purpose of the present administration, on the ground that prices have become too low, and that there can be no prosperity without an increase in prices; so the administration has started on an artificial method of insuring increased prices. The danger is that there is no control over the increases, and after a while there will be a cry that prices are too high instead of being too low.

Mr. DICKINSON. The new slogan is going to be to reduce the cost of living, and the consumer is the one who will have to be protected.

Let me proceed a little further on the subject of the delegation of legislative power.

We find in the Agricultural Adjustment Act, title III, section 43, that—

The President is authorized, in his discretion to direct the Secretary of the Treasury to enter into agreements with the several Federal Reserve banks and with the Federal Reserve Board whereby the Federal Reserve Board will * * * purchase directly and hold in portfolio, for an agreed period or periods of time, Treasury bills or other obligations of the United States Government in an aggregate sum of \$3,000,000,000.

We find this delegation of power in practically every piece of legislation we have been passing.

What will be the next thing? The President will ask to have executive authority to authorize and direct the purchase of silver, and to maintain its value at a certain ratio. That is the new silver bill which is coming before the Senate.

The next bill that is coming in is the one from the Committee on Mines and Mining, which has to do with absolutely putting the coal business and the price of coal in the hands of the President to direct and fix the prices all along the line.

I wonder how much further we have to go, and whether or not we are going to Hitlerize this Government by saying that Congress is not capable of performing its functions any more, that it ought to turn everything over to the Executive, and go home and give him a drawing account on the Public Treasury to see how much he can spend.

Next, we have an innocent statement with regard to amendments to the A.A.A., which is the Agricultural Adjustment Act. Every time I suggest anything against the grant of authority now proposed I am asked, "How did you vote on the Agricultural Adjustment Act?" I will say that I voted for it, and I voted in favor of it for only one reason, which was my hope that under part 2 we might be able to readjust farm mortgages and make an adjustment of the credit of the farmers of this country to their benefit. I do not find that we have made as much progress as should have been made, and I do not know that I was justified in voting for that law on account of that provision. I do say, however, that under the Agricultural Adjustment Act we put the authority in the Secretary of Agriculture and not in the President. Now we find that a new bill is brought in under which the food processors are to be licensed. It is now on the calendar. I hope the Senate will be able to arouse itself to the point where it will at least stand up and determine the question as to whether it is going to transfer all its powers to the administration at its request.

Let me suggest further that the most vicious example of the transfer of authority of which I have spoken is found in the pending tariff bill. We have not had any piece of legislation which transferred so much direct control over the private interests of the people of this country as does the alleged tariff bill which is now before us for consideration.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. VANDENBERG. The Senator has been referring to delegations of power to specific and identified authorities. That is bad enough; but it is infinitely worse to find power delegated to unidentified administration agencies which were never contemplated at the time of transfer.

If the Senator will permit me to make a comment in his time which is particularly pertinent in connection with the pending bill, it appears that there is a so-called "executive-policy committee." It further appears that this committee is serving without congressional authority as a sort of super-tariff commission, receiving from the Tariff Commission reports of investigations under the flexible-tariff laws and under section 3 of the N.R.A., and determining what disposition is to be made of them and what action is to be taken on them. I do not know whether or not the Senator from Iowa ever before heard of the executive-policy committee.

Mr. DICKINSON. I never heard of it before.

Mr. VANDENBERG. It is at the moment one of the most powerful agencies at work in respect to the policies of the Government. Inasmuch as the pending bill contemplates a certain grudging allowance of hearings before the final sentence of death is passed by the President upon the industries which are marked for slaughter, I take it as a matter of reasonable deduction that it will be this executive-policy committee which will be called in under this further delegation of power to pass upon these tariff questions. So that the country and its industries and its agriculture may have some casual understanding of who it is who is to be its supreme court in this aspect, I should like to state for the Record that this executive-policy committee consists of the following gentlemen:

Mr. Francis B. Sayre, chairman, representing the State Department.

Mr. M. S. Eccles, representing the Treasury Department.

Mr. Jacob Viner, representing the Treasury Department.

Mr. John Dickinson, representing the Commerce Department.

Prof. Rexford G. Tugwell, representing the Agricultural Department. I am sure that name is familiar to the Senator.

Mr. H. R. Tolley and Mr. L. R. Edminster, representing the A.A.A.

Mr. Oscar B. Ryder, representing the N.R.A.

Mr. Robert L. O'Brien, representing the Tariff Commission—the same Mr. O'Brien who testified that he would be glad to do anything the President wanted him to do.

Mr. DICKINSON. Whether he thought it was right or not.

Mr. VANDENBERG. With respect to the administration of the tariff law, regardless of the obligation of the law itself.

Mr. Thomas Walker Page, of the Tariff Commission, and Mr. George N. Peek, who is now running the export and import bank.

These are the members of the executive-policy committee, existing without warrant of law, exercising powers unidentified in any statute, and, so far as I can deduce, the probable outfit which will have the economic life and death of America in its hands after we shall have concluded this final delegation of power upon which we are now embarked.

Mr. DICKINSON. I thank the Senator for the contribution. I had not heard of that, and the personnel is intensely interesting, in view of the fact that apparently everyone whose name is on the list is connected with, or is at least an applicant, for membership in the "brain trust."

Mr. LONG. Mr. President, I entered the Chamber a little bit late. Will the Senator allow me to ask him how many were named by the Senator from Michigan in this list of superficial council?

Mr. VANDENBERG. There are 11 names on the list.

Mr. DICKINSON. Mr. President, there is one name on there that is of considerable interest—Francis Bowes Sayre—who has been sitting here beside the Chairman of the Finance Committee on the floor of the Senate, and who, I understand, is the one who has been collecting most of the data and doing most of the work, and who undoubtedly will have a great deal to do with the State Department policy under this bill if it shall be passed.

I thought I should like to find out who he was, and so I consulted Who's Who in America. Of course, I knew that he was Woodrow Wilson's son-in-law, and a very estimable gentleman, but I wanted to know something about his experience, because, Mr. President, I say to you that the State of Iowa is interested in the agricultural schedules, and we know that if we cannot have the agricultural schedules exempted from the operations of this bill, those who will be in charge of the administration of this measure will be in a position to ruin the dairy interests of Iowa, the beef interests of Iowa, and the poultry interests of Iowa.

I find that Mr. Francis Bowes Sayre was born April 30, 1885; that he graduated from various institutions. Who's Who goes on to tell about him as follows:

Deputy assistant district attorney, New York County, N.Y., 1912-13; assistant to president of Williams College and instructor in government in the college, 1914-17; Thayer teaching fellow, Harvard Law School, 1917-18; assistant professor law, Harvard University, 1919-24, professor since 1924; lecturer, University of Southern California, summer session, 1923; leave of absence, 1923-25; director, Harvard Institute Criminal Law, 1929; trustee, Massachusetts State training schools, with supervision of juvenile delinquents of State, since 1932.

Here is a feature of the statement in Who's Who, which I should like to have the Senate note:

Adviser in foreign affairs to Siamese Government, 1923-25; appointed Envoy Extraordinary and Minister Plenipotentiary from Siam, 1925; juris consult to ministry of foreign affairs, Siamese Government, since 1925; negotiated on behalf of Siam new political and commercial treaties with France, Great Britain, the Netherlands, Spain, Portugal, Denmark, and Sweden, 1925; Norway and Italy, 1926; abolishing extra territoriality in Siam; also treaty of arbitration with Great Britain, 1925. Created Phya Kalyan Maitri by the King of Siam, 1924—

I do not know what that is, but presume it is some kind of recognition or honor—

awarded the Grand Cross of Crown of Siam, 1924; Grand Cross of White Elephant (Siam), 1925; Grand Officer Order of Orange-Nassau (Netherlands), 1925; Knight Grand Commander, Chula Chom Klao (Siam), 1926; Commander Order of the Dannelbrog, first class (Denmark), 1926; Grand Cross Royal Order of Isabel la Catolica (Spain), 1926; Grand Cross of Order of Christ (Portugal), 1926; Commander Order of Saint Olav, first-class (Norway), 1927—

Of course, I do not know what he would do if it were third-class, but "first-class" seems to be all right—

Grand Cross Order of Crown of Italy, 1927; Grand Officer de la Legion d'Honneur (France), 1929. Y.M.C.A. work, Mexican border, summer 1916.

Of course, he might get down to earth on the Mexican border; but he would not have much chance of getting down to the economic questions of this country while he was around gathering up decorations from the King of Siam, and so forth, and so on.

The point I want to impress upon the Senator is that this man is going to be sitting in a controlling position, as I shall show by his testimony before the Ways and Means Committee before I conclude my remarks.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. VANDENBERG. In view of the disclosure respecting this executive-policy committee, I wonder if the Senator would not agree that it would be quite appropriate for the Senate to inquire by resolution just what this instrumentality is, and why it is, and what its powers are?

Mr. DICKINSON. I should like to see the Senator from Michigan sponsor such a resolution, and, in case he does not want to do so, I should like to sponsor one myself, because I think it would be well worth while.

Mr. FESS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. FESS. The Senator from Michigan in reading the roster mentioned Mr. Tugwell's name, did he not?

Mr. VANDENBERG. That is correct. Of course, that is not any novelty, because the Senator will find his name on any important document of this particular dispensation.

Mr. FESS. If the Senator from Iowa will permit me, I have a bit of information here which I think will throw light on the background of what is going on at the White House, so far as Mr. Tugwell is concerned.

Mr. DICKINSON. I should be glad to have the information put in the RECORD at this point.

Mr. FESS. I hold in my hand a volume containing the issues of the American Economic Review for 1932 with the supplement, printed in March 1932, containing the "papers and proceedings of the forty-fourth annual meeting of the American Economic Association." That meeting was addressed, among others, by Dr. Tugwell. His address is on the Principle of Planning and Laissez Faire. From page 88 of this volume I read this statement, which I think all Senators, as well as the country, will be very glad to have, because it evidently is the explanation of what is going on, so far as Mr. Tugwell is concerned. Speaking of our present economic system, and indicating that there must be a change, he makes this statement:

The setting up of even an emasculated and ineffective central co-ordinating body in Washington will form a focus about which recognition may gradually gather.

He then indicates the changes that must be effected.

The first series of changes will have to do with statutes, with constitutions, and with government.

Remember that he has in mind a change in the Constitution.

Mr. DICKINSON. In other words, that goes to the very fundamentals of government as laid down by the forefathers.

Mr. FESS. Precisely. I quote further from Dr. Tugwell:

The intention of eighteenth and nineteenth century law was to install and protect the principle of conflict; this, if we begin to plan, we shall be changing once for all, and it will require the laying of rough, unholy hands on many a sacred precedent, doubtless calling on an enlarged and nationalized police power for enforcement.

Read that in the light of the A.A.A. as well as the N.R.A.

We shall also have to give up a distinction of great consequence, and very dear to many a legalistic heart, but economically quite absurd, between private and public or quasi-public employments. There is no private business, if by that we mean one of no consequence to anyone but its proprietors; and so none exempt from compulsion to serve a planned public interest.

I want the Senator especially to notice this next statement:

Furthermore, we shall have to progress sufficiently far in elementary realism to recognize that only the Federal area, and often not even that, is large enough to be coextensive with modern industry, and that consequently the States are wholly ineffective instruments for control. All three of these wholesale changes are required by even a limited acceptance of the planning idea.

I should like to have the Senator also notice the third statement here:

The next series of changes will have to do with industry itself. It has already been suggested that business will logically be required to disappear.

What does that mean?

Mr. DICKINSON. I should say that if he shall be on this tariff advisory council it would mean that business will disappear.

Mr. FESS. And he further goes on to say:

This is not an overstatement for the sake of emphasis; it is literally meant. The essence of business is its free venture for profits in an unregulated economy.

This is the statement of the keyman in this administration along the line of reforms that are going on down here. Why should anybody be surprised at what is going on, in view of such statements as to fundamentals?

Mr. DICKINSON. And let it also be remembered that in the statement I made on the floor of the Senate sometime since I quoted from a textbook written by Mr. Tugwell, in which he said that national planning means the final ownership and acquirement of all property in the United States.

This simply indicates the trend of the day. I am going to give just a few more illustrations before I leave this particular phase of the subject.

Many of the administration's legislative measures have met with the criticism that they are unconstitutional; that they are destructive of traditional individual liberties; or that they contain fascistic, socialistic, or communistic implications incompatible with fundamental American political doctrines. That is exactly the point made by the Senator from Ohio.

In defense the rejoinder has usually been not a categorical denial, but, rather, arguments justifying extraordinary temporary measures designed to meet an emergency which is claimed to be as destructive to humanity as war. The Senator from Idaho [Mr. BORAH] only a few days since replied to such arguments by making the unanswerable comment that no emergency ever added an additional power to the Constitution of the United States, and yet most of these new measures and new ideas are being presented solely on the ground that they are designed to meet an emergency. Indeed, the subterfuge of inserting an emergency clause into the preamble of bills in order to improve their chances of being sustained in the courts has become such an accepted practice that Secretary Wallace casually suggested such a procedure in amending the Bankhead bill for compulsory cotton control, although the legislation is obviously a far-reaching experiment which might be applied to all basic agricultural commodities and thus by its nature is likely to become a permanent measure.

It is becoming increasingly apparent that many of the laws enacted by the Seventy-third Congress, or likely soon to be enacted with administration sanction, are intended by their proponents to be made permanent law, or to be extended for continuing periods on what is apparently the assumption of a future state of perpetual emergency.

Let me suggest that I did not refer to the transfer to the Executive of the right to handle the finances of the country, to debase the dollar, making it as many grains of gold as he thought suited his fancy; in other words, playing the finances of the country to the point where he thought it would be of advantage in negotiating with the rest of the world in an effort to raise prices.

Let me quote from a Frank Kent article of April 20, in which he said:

With no one grasping their full implications, a series of great regulatory schemes, not one of which had been thought through,

going in different directions and some sharply clashing with others, was launched with bewildering rapidity. Men who disbelieved or doubted were overwhelmed. It was unpatriotic to criticize. Criticism as a constructive alternative was deemed wicked.

That is just what we have been talking about in connection with the N.R.A.; that is, that whenever we criticize we are supposed to be doing something that is unpatriotic. In my judgment, the most patriotic citizen we have had has been the citizen who could point his finger at the defects of the program and show the reasons why it would not bring about the benefits which were expected in the social and economic order of the day.

Mr. Kent continued:

Criticism as a constructive alternative was deemed wicked. Those who raised their voices in protest were denounced as Tories or tom-tom beaters. Enchanted, the people watched the Presidential juggler as he threw the glittering balls in the air, persuaded that the show would go on forever and a way had been found to suspend the great natural law that what goes up must come down.

I wish to go just a little further and refer to two or three other phases of the matter. Here is the comment of Norman Thomas, the Socialist. Norman Thomas received only 800,000 votes on the Socialist platform in the 1932 campaign. Yet it was found, when the twenty-odd million people who voted for Roosevelt had placed him in authority, instead of carrying out the program which was outlined in the Democratic platform, he carried out practically all the provisions of the Socialist platform. This is what Norman Thomas said with reference to the new deal:

Those who want to undo the revolution to State capitalism through which we are now going may cause trouble, but they cannot go back. The great significance of the new deal, and the N.R.A. in particular, lies in the social forces it has unloosed and put into play. How they are to be used, whether for fascism or socialism, rests largely with the workers. By now it is absolutely evident that without effective organization of the workers involved, the new deal is bound to become the instrument of a slave state.

In other words, he says we are going to have State socialism. That is the comment of Norman Thomas on the new deal.

David Lawrence, under date of April 1, 1934, made this statement:

Certain phrases were inserted in the preamble of existing law as a substitute, namely, to give the lower courts a chance to uphold the alleged constitutionality of measures which were sought as a means of regimenting the American people under a system entirely alien to American traditions.

I want to refer for just a moment to dictatorship.

Mr. LONG. Mr. President, will the Senator from Iowa yield to me?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. DICKINSON. I yield.

Mr. LONG. My office has just sent me a copy of a telegram which I did not notice before I left there this morning, which shows the effect the pendency of the tariff bill is having. This is from—

Mr. LOGAN. Mr. President, I make the point of order that the Senator has not secured unanimous consent to read the telegram or to place it in the RECORD.

Mr. LONG. I do not have to have unanimous consent to read the telegram. The Senator will not object, will he?

Mr. LOGAN. I certainly shall not object, but if the Senator is going to place the telegram in the RECORD he ought to get unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. DICKINSON. Mr. President, it is not necessary for the Senator from Louisiana to have unanimous consent to read the telegram. He may read it in his own time without having unanimous consent. He would have to have unanimous consent if he wanted to print it in the RECORD without reading; but as I understand, he wants to read it. I yield to him for that purpose.

Mr. LONG. The telegram is from Deridder, La. That is in the cut-over region of the State of Louisiana, where the pine timber has been cut off for many miles to the north,

south, east, and west. It is a large sheep-raising section of the State. Considerable wool is grown there. The fact is, we have a climate much better than the West and North for woolgrowing, and we are raising many sheep down there. This is a telegram from a gentleman at Deridder. I do not remember whether I know him personally, because the name is not an uncommon name. His telegram reads:

Senator HUEY P. LONG:

The discussion in Congress of the tariff on wool is creating a disastrous effect on the sale of wool. Will appreciate knowing what is going to be done with this bill. It is holding up mills, which will not buy our wool. Please use your best efforts in settling this matter to the best interests of the wool growers.

F. L. MILLER,

President Southwest Woolgrowers' Association.

This is typical of what we may expect under the operation of the bill. The reason is that every day we are debating this matter the wool grower does not know but what the President is going to be empowered to throw the entire tariff barriers down and permit the free entry of wool into the United States. As a result wool sales are declining. The farmers who have nothing except the sale of wool from which to make their living are faced with the fact that the mills dare not buy their wool because very likely there will be provision made, or there can be provision made under the terms of the bill, which would mean that foreign wool could be brought here for perhaps one third the price of American-grown wool.

The situation is further aggravated by this fact: I understand from reliable sources that while there has been no particular definite commitment made in writing here, there has been a general rumor or general assurance of some kind given that wool is to be left out of the program. But what is that assurance worth? It is not worth anything. We have had the promise of the Democratic Party and the President of the United States against this kind of thing anyway. If we could not accept their promise in one instance, what is the use of having some other promise from them? Therefore the wool market is just going to pot, and the farmers are left with no sale for their wool.

I understand, if the Senator from Wyoming will pardon me for infringing further on his time, that the Colombian Treaty, which was going to be sent to us today, or rather, which the Senator from Mississippi [Mr. HARRISON] said there was no objection to sending here, will not be sent; that the Department of State officials have now decided that it is not a good thing to send the treaty to the Senate.

I understand, and I can state as a fact, not at second hand, because I know it to be a fact, that the State Department has today said, or late yesterday said and reaffirmed it today, that it would be against the public interest for the Senate to know what is contained in this treaty that has been made with Colombia.

I am glad my friend from Wyoming [Mr. O'MAHONEY] has come into the Chamber. I will ask the clerk to send back to me that telegram, because I want the Senator from Wyoming to have an opportunity to read the telegram I have just sent to the desk. I find, however, that I have a copy here. I will ask to have this copy handed to the Senator from Wyoming.

What I was saying, Mr. President, is that this matter is getting to be surcharged with an air of mystery which perplexes even the State Department itself. It does not know how far it can trust the United States Senate, not only to act, but the State Department does not know how far it can trust the Senate to know. In other words, we have gotten to be a very, very strange body. The State Department on yesterday, so the Senator from Mississippi said to us, decided that it would not hurt anything to let the Senate know what it was planning to do in connection with the Colombian treaty. This morning, after thinking the matter over a little while, I am informed that the State Department said, "Well, now, on second thought, it is not going to be a good thing for the Senate to know too much about this treaty, so we are not going to send it to the Senate." As a matter of fact, I know of my own knowledge that the State Department has decided not to send the treaty to us.

That is the condition we are up against. The bureaucrats in the little Department up there, headed by a man who said before the American people and before Congress that the kind of legislation that is now being enacted into law was iniquitous, unjustifiable, and in no way to be considered proper, have made a treaty with the Republic of Colombia, and are undertaking to make more treaties of a similar character which are to become law as a result of the passage of the pending bill, and they will not let us know what kind of a treaty they signed because, if they do, it will not be in the public interest. In other words, the condition is soon going to be that the State Department and other bureaucrats will regard the United States Senate as a dangerous menagerie, and that they will not dare allow the fruits of their brain power and of their negotiating opportunities to be subjected to surveillance by the United States Senate at all.

That is what we are up against today. After all the assurances given here only yesterday by the Senator from Mississippi that there is no reason why we could not have this treaty that we will ratify if we pass this bill, the bureaucrats of the State Department are going to tell us now that they cannot send the treaty to us because it is not in the public interest for the United States Senate to see it; and away back in the interior the poor farmers of Louisiana and of the West are crying aloud that they have no market for their wool, they are losing the market for their products, because a bill of this kind is pending here.

Mr. CAREY. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield to the Senator from Wyoming.

Mr. CAREY. I should like to state that wool in Wyoming was bringing very fair prices until this tariff bill was discussed. The last clip of wool before that time was sold for 33 cents. There has been only one clip of wool sold in the State during the past 90 days, and that was sold at 22½ cents, a decrease in price of 30 percent, due to the fear of this tariff bill.

Mr. LONG. That is just exactly what is happening down in Louisiana, only we cannot sell ours at all. We cannot sell it even at a 33-percent reduction. Nobody will buy it.

Mr. CAREY. There has been only one clip sold in the State.

Mr. LONG. In the State of Wyoming?

Mr. CAREY. Yes.

Mr. LONG. Wyoming is better off than Louisiana is, according to the telegram which I have handed to the junior Senator from Wyoming [Mr. O'MAHONEY], according to which, as I read it here a few moments ago, the farmers down there cannot sell their wool at all. As a matter of fact, that is a reasonable view to take of the subject. If I were in the mill business I would not buy any wool. While I represent the woolgrower and the farmer who has sheep that he has to shear if he is to live, yet at the same time I can see the viewpoint of the wool buyer.

Whose word are we going to take? Are we going to let a law be put on the statute books that will make it possible for the dealers in Argentina and South America and Australia and the other wool-growing countries to send wool in here for 7 and 8 and 10 cents a pound, and when a man has bought wool at 20 and 25 cents a pound, have him at a disadvantage of perhaps 75 percent on the raw material, as against a competitor who is waiting to take advantage of one of these trade agreements? How do we know that this Colombia trade agreement has not some wool in it? For all I know, it has. I do not know what is in it; and the bureaucrats of the State Department are negotiating half a dozen more of these trade agreements or treaties. I am told, and I know this to be reliable, that the State Department says it is in the act of negotiating another bunch of these treaties, and that it would not be a good thing to let the Senate know what is going on right now, because the Department has to complete some more of these things.

In other words, this whole fiasco of taking a dagger and putting it within easy reach of every industry's throat, this system by which tomorrow morning the business man of this country is liable to meet some kind of a reciprocity that

will dash to the ground the hopes of his business, whether it has to do with wool or apples or tropical fruits or anything of the kind, is what we have to consider today. If this mere threat, the mere fact that this bill is liable to be passed, has this disastrous effect on the market, what will it mean when we actually pass the bill, Mr. President, and the power is there every morning and every night to put into effect some treaty by which America will be put out of business in some line of endeavor?

I beg the pardon of the Senator from Iowa. I want to make just one more little reference, and then I shall be through for this time.

Lately I have been reading another article. It is from Mr. Machado, the deposed President of the Republic of Cuba. Mr. Machado says that the trouble in Cuba today is that the tariff wall is preventing them from bringing Cuban sugar into the United States at a price low enough to permit Cuba to restore its own agriculture. That is his statement. I know as a matter of fact—this I have to rely upon no one to tell me; I know it of my own knowledge—that every effort on earth is being made to tear down the walls protecting the beet-sugar industry and the cane-sugar industry of the United States by bringing Cuban sugar in here almost on a free-trade basis, if it can be done that cheaply. When we pass this bill it will be possible for the Tariff Commission to take the 1½-cent tariff we have left—because we have already taken off one half cent of it—and reduce it to three fourths of a cent on the 50-percent authority the Commission has, and then, under one of these reciprocal tariffs that may be made with Cuba, 50 percent more may be taken off, and it will bring the tariff on sugar down to a point where we will have a duty of 0.37 of a cent instead of the 2-cent duty which is necessary to maintain this business.

We are liable to wake up some morning to find that the entire investment that all the farmers of Louisiana have made and all the beet farmers of the West have made has been wiped out. Every one of them is liable to wake up some morning—and will do so, if the interests behind this bill have their way about the matter—and find all the beet and sugarcane farmers of this country in the same predicament that the wool growers are in today. In fact, the condition is going to be even worse for the wool growers, and it is going to be worse for the cane growers; and what is the use of an assurance?

Someone may go out and get a letter from somebody saying that he is not going to apply this proposed law to a certain industry; that this pickle is in the soak for somebody else. In other words, every man is being told that his industry will not be hurt; that this law will be applied against the other man. Everybody is being told, "Now, do not worry; we are not going to bother you. It is somebody else who will get the knife." But what is the use of going out and getting letters from them when I have in my hand the declarations of the Democratic Party in their platform, and the pronouncements of the Secretary of State, and the pledge of the President of the United States that the Democratic Party, if intrusted with power, would not enact any such law as this, but, on the contrary, that they would repeal the flexible provision of the tariff, which lodged in the hands of any one man the authority to change the tariff of the United States?

I thank the Senator from Iowa for yielding to me. If anyone can give us any courage, if anyone can give us any balm, if there is any balm of Gilead anywhere for the farmers of this country who are being afflicted by this kind of a threat today, I certainly hope it will come out soon, because telegrams of desperation such as I have sent to the desk, showing the hundreds of thousands of people who are being deprived of their means of livelihood by such matters as the proposal now before the Senate, are everything except what should be desired by a Government that is trying to restore prosperity to its suffering people.

Mr. DICKINSON. Mr. President, it is my contention that this tariff bill to encourage foreign trade will be just as ineffective as the N.R.A. has been in relieving economic conditions. In other words, it embodies a theory which will

not work; and it will simply lead to one more disappointment, because the people who are expected to get relief from the proposed legislation will not be able to receive any relief.

Mr. President, among the commodities in the export of which there has been a material decrease we find numerous agricultural products. One of the reasons presented for this type of bill is the fact that power must be granted so that the Government may act quickly. I am going to quote from the pamphlet *America Must Choose*, as follows:

Our Government today is at an almost hopeless disadvantage in its efforts to restore that measure of foreign trade which we must have if our prosperity is to return. A general revision of our tariff laws by Congress, which has been the ordinary method of our making, would be entirely ineffective to meet the situation which exists today. Anyone who has witnessed the course which such a congressional revision follows would appreciate that. It would be far too slow.

That is from Secretary Wallace's book, *America Must Choose*.

I turn to the next page and read this:

And those thoughtful Republicans who agree with him—

Having reference to Mr. Secretary Wallace—

that even though the President does get the tariff powers requested in the bill now before the Senate, it will probably take several years of the most careful negotiating before a sufficient volume of foreign purchasing power will be restored to enable our export American agriculture to proceed again in normal fashion without governmental help for readjustment—

And so forth.

In other words, we find on one page of *America Must Choose* that revision by Congress is too slow. On another page we find the prophecy that it will take a number of years before we will be able to get any material benefits from the very machinery he is proposing to set up as a substitute for the existing tariff-making power.

Mr. LONG. Mr. President, if the Senator from Iowa will yield, I am afraid he did not notice it, but on the floor of the Senate yesterday the leaders on this side of the Chamber announced that the purpose of the bill was to reduce tariffs. In other words, the Senator from Tennessee [Mr. McKellar], in the presence of our Democratic leader, the Senator from Arkansas [Mr. Robinson], stated that the purpose of the bill was to make a reduction in the tariffs. In other words, there is no folderol about it; this is a bill, he says, for the purpose of reducing the tariff, and that is not disputed.

Mr. DICKINSON. Mr. President, further to carry out the machinery by which this tariff bill is to be operated, I want to quote from Mr. Sayre, the gentleman who has been honored with so many splendid decorations by the King of Siam. I do not remember just where Siam is, but it is around somewhere. What does Mr. Sayre say? I quote from page 344 of the hearings before the House committee on House bill 8430. He said:

Mr. SAYRE. I do not think you are being asked to take anything on faith. You have, many of you, been pressing the question again and again: What specific individual trades would I make, and with what countries? My reply to that, sir, is that it is utterly impossible to answer that question at this time for two reasons. First, the answer will depend upon a very careful and comprehensive and deep study of the whole picture of production in this country and of international trade. There is a vast mass of material gathered and being tabulated from time to time by the Department of Commerce, by the Tariff Commission, by the Department of State, by various Government agencies—excellent material.

If this bill passes, as I trust and believe it will, it will be the work of a group of men studying intensively and working to collect and focus that data, to ascertain the various points in which trades might be possible, to find out whether those trades would unduly work injury to American business or American interests, to learn what the economic effects would be; to map out some kind of a comprehensive, cohesive, Nation-wide program from the national viewpoint.

When we get a group of "brain trusters", such as are listed as members of the executive-policy committee and the Tariff Commission working together, I wonder how quickly they will be able to reach an agreement and say that the tariff ought to be raised or lowered on any commodity. I suggest that I would rather trust Congress getting it through

before a business man was strangled to death, rather than wait for a research investigation, an agreement by the various economic forces in the various bureaus, submission of the whole matter to the executive-policy committee of the Tariff Commission, approval by the Tariff Commission, and then finally its O.K. by the Executive of the United States.

Mr. VANDENBERG. Mr. President, I call the Senator's attention to the fact that this executive-policy committee is not related to the Tariff Commission; it is a White House appendage.

Mr. DICKINSON. Oh, yes; it is to be the adviser of the Chief Executive, and not of the Tariff Commission. I thank the Senator from Michigan for the correction.

As a matter of fact, if we want aid in tariff-making, I should like to know how we are going to get it by working out that type of logarithm. It is almost equal to Mordecai Ezekiel's equation on hog logarithms which the Senator from Michigan presented on the floor of the Senate one day. We are simply getting into confusion worse confounded when we adopt a policy of this kind.

It is said they are going to do this in order to protect agricultural products, because we have a surplus of certain agricultural products. The trouble we have, then, is simply this, that the great majority of the countries with whom we want to trade export agricultural products. If we are to trade with Canada, what does Canada want to sell us? Wheat and livestock. The wheat growers of North Dakota do not want any Canadian wheat brought in. The livestock growers of the Northwest and the cattle feeders of Iowa do not want any livestock imported into the United States. They prefer to increase their own production in order to come as near meeting domestic demands as possible.

What do we find as to South America? Practically every country down there has one of two privileges. Either they have a product for export which is imported into the United States, and is admitted free of duty under the existing law, or they want to export a product which is competitive with a surplus-production commodity of this country. Only a year or two ago, one could go into practically any store, particularly the chain store in the Middle West, and buy Libby's canned meat, canned in Paraguay, and Uruguay, and Brazil, and other countries in South America. That foreign meat was being sold right in the Middle West, where we produce the greatest supply of meat products in the United States.

It is said, "If you do not do this, there is no way of meeting this problem." I wish to make this suggestion, that there has not been a single agricultural-relief measure presented here in the last 12 years which has not been based upon the protective-tariff system. The first export-denture plan was absolutely dependent upon a productive-tariff system. The McNary-Haugen bill was absolutely dependent upon a protective-tariff system. The present N.R.A. is absolutely dependent upon the protective-tariff system. The A.A.A. is absolutely dependent upon the protective-tariff system. In my judgment, it is cropping out on the other side of the aisle all the while that the main motive in pressing the pending legislation is not an adjustment of tariffs, but the lowering of tariffs. Let us see what happens with reference to exports from the United States.

I hold in my hand a map produced by the American Manufacturing Export Association of New York. I think they are wrong in their purpose in presenting it, but it contains some interesting figures. I want to show some of the reductions in the exports of various commodities from the various States of the Union, and I will start in with Iowa, because that is pretty dear to my heart.

In 1929 the value of exports from Iowa was \$37,000,000. In 1932 the value was \$9,000,000. The principal exports are lard, meat products, oatmeal, corn sirup, vegetables, and food products.

Next, I take North Dakota. In 1929 the exports amounted to \$9,000,000. In 1932 the exports amounted to \$2,000,000. The principal exports are radio apparatus, lard, nonmetallic minerals, vegetable products, and animal products.

Michigan: 1929 exports, \$355,000,000. 1932, \$48,000,000. Principal exports are automobiles, automobile parts, trucks, metal-working and industrial machinery, accounting machinery, medicine and pharmaceutical preparations, and coke.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. VANDENBERG. It is interesting at that point to observe that the National Automobile Chamber of Commerce testifies that automobile exports increased 100 percent in the first quarter of this year, indicating that export expansion is entirely possible without trading away our birthright.

Mr. DICKINSON. That is a very good suggestion. I thank the Senator.

I simply desire to indicate that the trade of the world is being carried on according to the need for given commodities. People are buying the things they actually need. Their first purchase is their prime necessity. It is the things they can do without which they are not buying.

Why does this tabulation from which I have read present the year 1929? Because that was the year of overexpanded exports. It was the year when we were loaning money. We can increase our exports now if we will but finance the people who want to buy. That was the reason why we had the great expansion of exports in 1929.

We all know now that we would have been much better off had we not expanded our exports and had we not loaned a great deal of money in foreign countries; but we adopted the course of lending them the money, we took their securities for the loans, and now we find that we may not be able to collect much of the money that was loaned for business purposes.

We come next to the State of Louisiana. In 1929 the exports were \$221,000,000. In 1932 the exports were \$81,000,000. Principal exports: Cotton, petroleum, lumber, rice, and lard.

The State of Oregon: In 1929 its exports amounted to \$70,000,000. In 1932 they were \$16,000,000. Principal exports: Wheat, flour, apples, dried fruit, lumber, and hops. We will use more of the hops at home from this time on, I understand.

New York: In 1929 the total exports were \$957,000,000. In 1932 the exports were \$248,000,000. Principal exports: Textiles, automobiles and parts, undressed furs, flour, books, maps, printed matter.

Delaware: In 1929 the exports were \$6,000,000. In 1932 the exports were \$2,000,000. Principal exports: Leather, vulcanized fiber, chemicals, aircraft, cotton cloth, and so forth.

Now I want to come to the oil area and consider Oklahoma. The exports from Oklahoma in 1929 were \$35,000,000. In 1932 the exports were \$8,000,000. Principal exports: Petroleum, cotton, wheat, flour, paraffin wax, milk, and cream.

That gives the Senate some idea of the general relativity of the exports from the various States of the Union and their respective interests in the question of exports.

What I have in mind is that most of the States I have mentioned will not materially benefit by the proposed bargaining. Why? Because we find that when the bargaining power is exercised, the thing we have to sacrifice is something which either is not subject to an import duty at the present time or which will procure no advantage so far as trade negotiations are concerned with the country which wants us to import a similar commodity into this country.

Agriculture will be particularly at a disadvantage. I desire to recall to the Senate the experience we had under what are known as the old "Kasson Treaties", which I believe were negotiated about the time of the McKinley administration. After negotiating for a long time, what was done? Treaties involving four commodities came before the Senate; and what were those commodities? Sugar, molasses, hides, and wool—every one of them an agricultural product. Why? Because then, as now, the people who are most desirous of trading with the United States are people who produce a surplus of agricultural or raw products. There-

fore, what we are doing here is setting up a bargaining agency which has to meet a competing agency in twenty-odd countries in the world producing the things of which we produce a surplus, and therefore we have a chance of 20 to 1 of holding our own against those agencies.

Mr. FESS. Mr. President, if the Senator wishes to be absolutely correct—and I know he does—I have in my hand a document giving the precise dates.

Mr. DICKINSON. I do wish to be correct, and I shall be glad if the Senator will state the dates.

Mr. FESS. The reciprocity treaties were signed July 24, 1899, and March 8, 1901.

Mr. DICKINSON. I thank the Senator.

Mr. VANDENBERG. What happened to the Kasson treaties when they reached the Senate?

Mr. DICKINSON. They died at the door of the Senate.

Mr. VANDENBERG. Why did they die?

Mr. DICKINSON. Because of the conflict of interest all along the line on both sides, on the part of those who were interested in the trading off of these products and on the part of those who were interested in trading with those who produced the products.

Mr. VANDENBERG. In other words, when the bargains had to be submitted to the direct representatives of the American people, the bargains failed to obtain approval.

Mr. DICKINSON. That is absolutely true.

Mr. VANDENBERG. Therefore, we are now asked to create a system which will omit the necessity for approval by the representatives of the people, so that we shall not be embarrassed on the one hand nor shall the bargain be repudiated as the result of the protest of the American people.

Mr. DICKINSON. And the American people will have no opportunity to protest until the next Presidential election, because the power will be placed in the hands of the President.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. LONG. It is a little worse than the Senator states. The American people cannot affect what may be done until the time of the treaty has run out. As I understand, these treaties can exist for 3 years beyond the term of the President of the United States. In other words, these reciprocal-tariff agreements can extend for a period of 3 years from the dates on which they are made. There is nothing to keep the present President of the United States from renewing the tariff agreements on the day before he goes out of office.

Mr. DICKINSON. That is true.

Mr. LONG. In which event two more Congresses will have to be elected before the work can be undone.

I should like to state what I understand to be the genius behind this bill, if the Senator will permit me to state it, as I gather it in the general atmosphere around the corridors and in the outer chambers, where we sometimes talk a little more freely than we do within the Senate Chamber, but without quoting anyone or giving anyone's idea.

If my mind comprehends what might be said to be the final essence that comes through the funnel, it is that the only way we dare lower these tariffs and break up these American industries is to have it done by some sort of council which is not elected by the people, which can be called from various parts of the country, a certain gentleman being called out of one university, and perhaps some little fellow from some other institution, and they sit down and run this thing, and they do not report to Congress, because if they were to allow the agreement to go through Congress the people would not stand for it.

Mr. DICKINSON. It is the Senator's understanding that everyone has to be a professor, and also has to be in Who's Who, in order to get on this strategy board; is it not?

Mr. LONG. I guess he would call himself a professor, or a doctor, or a master of something; but the point I am making is that he must not be elected by the people. They must take this thing out of the hands of men elected by

the people, because the people would not stand for it. That is all there is to this bill.

When we boil it all down to what this thing really means, it is that the Congress of the United States must not be allowed to handle the tariff. That is all this bill means. That is the essence of it.

Mr. DICKINSON. Right along that line, let me suggest that Mr. Sayre said, in a news release to the New York Times under date of May 18:

Economic nationalism today seems to offer a convenient method of escape from insistent, present difficulties, but in the long view it offers no escape. Eventually it increases the fundamental difficulties and multiplies the conflicts which make for war.

If we are to make effective the good will of the peoples of the world toward one another, there is only one way: We must realize our essential oneness—that no nation can permanently prosper at the expense of another; that due to the intricacies of modern commerce and banking and exchange, the suffering of one is the suffering of all, the prosperity of one is the prosperity of all. Surely the last war and its aftermath has made this painfully clear.

At the bottom the problem is one of spiritual values. It is the age-old conflict of self-centered struggle, each against the other, making for the suffering of all, versus common efforts for the larger welfare, in which the readiness to sacrifice present for larger future ends dominates the picture.

There is the situation. Our country has been the dominant country, and is the dominant country of the world today. We are dominant not only in one field but in many fields. Yet it is said that in order to work out our relationships with the rest of the world we should say to one man, "It is your privilege to see what business you shall sacrifice and what business you shall benefit." In other words, this is a pig in a poke. There is absolutely no commitment on the part of anyone here as to what commodities shall be affected, or how they shall be affected. That, to my mind, is the most vicious feature of the whole thing; and my belief is that agricultural commodities will be the ones which will suffer most.

I shall now read to the Senate from an address by Frank G. Arnold, president of the Nebraska Federation of County Taxpayers Leagues, at Norfolk, Nebr., his statement with reference to the tariff:

There is a school of thought in the United States today that many people believe should be carefully noted by farming interests. It refers to the propaganda so prevalent at the present time against tariffs. Authorities posted on this subject tell us this propaganda is promoted principally by capitalists who wish large imports of foreign agricultural products to repay foreign debts to the United States.

That is one thing which I think is vicious. Those who want to collect their money are willing to sacrifice the agricultural interests of this country in order to make their collections. I desire, also, to suggest that the General Motors Co., one of the outstanding advocates of reduced tariffs, does not care so much about domestic trade, because it knows that it has a monopoly of that, but it is sufficiently large to want to monopolize the automobile market of the world for their products without obstruction. Therefore they say, "We want tariffs reduced." I am free to confess that, in my judgment, they will sell a great many more automobiles to people who can be protected and made prosperous under the American tariff than they can by attempting to absorb the automobile business of the rest of the world. I continue the quotation:

This undoubtedly seems logical to people who invested in foreign securities, but to the hard-headed, common-sense American farmer it means that there is grave danger that domestic industry and domestic agriculture will suffer in just the degree that reciprocity agreements are consummated.

Now, I want to go a little further. I have here a statement by George N. Peek. I will say in behalf of George N. Peek that I think he is one of the most capable men who is in a key position in the present administration. I have known Mr. Peek for a good many years. He is very efficient and very thorough, and I know why, or I think I know why, he had to get out of the A.A.A. It was because of the socialistic theories of many of those connected with that organization which were offensive to him, and therefore he had to resign from that position and take a new one.

Mr. Peek is the head of what is known as the "International Bank", by means of which we are going to trade with Russia. He has my sympathy. I am perfectly willing that he shall trade with Russia if, on the other hand, he will protect the domestic interests of the United States. The minute he starts in to sacrifice the domestic interests of the United States, I do not care whether those domestic interests are agricultural or industrial, then he ought to be called to account.

The other day, seeing that Mr. Peek was at the head of the International Bank, capitalized with \$100,000,000 of the taxpayers' money in order to finance new trade relations with Russia, I picked up what is known as the "Soviet Union Review", of April 1934 and began to look through it to see what were the principal Russian exports for the year 1932 and the year 1933. I find that one of the principal Russian exports is wheat. How much more money have we got to put into the International Bank or how shrewd a manipulator has Mr. Peek got to be in order to make exchange trade agreements with Russia which will help out the wheat farmers of America, when Russia produces wheat for export and her exports in 1932 were greater than in the year 1933?

The next Russian export is barley. We produce barley in our own country.

The next large Russian export is flax. I wonder how North Dakota would like to have a trade arrangement with Russia whereby Russia would be given a market for vast quantities of their flax in this country?

I find that their next export is butter. I am not taking these commodities in their order, but I am taking them according to the groups which are given here. Butter is one of the principal exports of Russia. Very well. What is the new International Bank under Mr. Peek's management going to do in order to increase the trade relations with Russia when they want to sell us, as naturally a country wants to sell, the products of which they produce an exportable surplus? That is the only way they have of getting money; that is the way Russia has of securing the finances with which to carry on her noble experiment over there.

Her next export is lumber. Between 1932 and 1933, when the exports of the other nations of the world were decreasing materially in percentage, the lumber exports of Russia maintained a parity. Therefore I am wondering what the lumber interests of the South, the lumber interests of the Northwest, the lumber interests of the North will want to have done in order that Russia may export more lumber into this country.

I could mention fish, fowl, poultry products, and so forth. I am merely citing these facts to show what would be the prospect of making a trade arrangement with Russia which would be of material interest and benefit to the American farmer.

The National Grange has for its legislative representative here in Washington, Mr. Fred Brenckman. He made a statement with reference to the pending tariff bill from which I wish briefly to read:

Among the objections of the pending bill are:

1. As it is now written, the feature of the measure which authorizes the President to proclaim modifications of existing duties and "other import restrictions" is so sweeping that it would be possible to bring cattle into this country having the foot-and-mouth disease.

In other words, under this proposed legislation, the power to be placed in the Executive is to be so great that it will be possible, by means of an Executive order, to ignore the health regulations which are put into effect for the protection of the American people.

I quote further from Mr. Brenckman's statement:

It would also make it possible to set aside the Lenroot-Taber Milk Act, providing that imported milk must conform to the same sanitary requirements as are in force domestically. That provision in the present revenue bill, which imposes an excise tax upon certain imported oils, could be voided; the antidumping laws could be suspended, and convict-made goods could be imported into this country under the present wording of the bill. Import restrictions enter into all these matters.

Another objection mentioned by Mr. Brenckman is the following:

Everybody agrees that tariff tinkering unsettles business and creates uncertainties.

And that is the primary objection to this bill—

That is true even when the tinkering is done in the open and everybody knows what is going on. The more secrecy there would be in negotiating reciprocal trade arrangements, the greater would be the uncertainty. It would seem that the bill should make provision for public hearings before agreements are consummated.

There is provision for a species of semiofficial notice or hearing, but I do not expect to discuss that phase of the bill. It will be, however, properly discussed in due time by some other Senator in connection with the consideration of the pending measure.

What I have read, Mr. President, gives some idea as to how agriculture feels with reference to this proposed legislation. I have tried to show, first, that it is an unwarranted delegation of power to the Executive; second, that I do not believe speed can be worked out under the machinery provided; and, third, that it is not for the benefit of agriculture. I want to take up the question of the permanency of the policy adopted by the different parties.

Mr. President, a very interesting minority report was filed on the last Republican tariff bill by the minority members, to which report the Senator from Louisiana and the Senator from Rhode Island referred a few days ago; I think most of those who signed that report are still Members of the Senate, in fact, all of them, I believe, are so, except one.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. DICKINSON. I yield.

Mr. LONG. I am going to make a suggestion to the Senator. Is he about to read what the Democrats said?

Mr. DICKINSON. I am only going to quote a paragraph or so and to comment on that paragraph.

Mr. LONG. If the Senator is going to read what the Democrats declared in public—and I think I know what the Senator is going to read—I want to have the opportunity to call for a quorum in order that Senators on this side of the Chamber may come back and be enlightened as to what they said.

Mr. DICKINSON. I hope the Senator will not insist on a quorum. The Senator from Mississippi [Mr. HARRISON] is here, and I am sure he will be glad to tell them about this report, if any of them have forgotten it.

Mr. LONG. The people of the United States remember what the Democratic Senators said, but Democratic Senators have forgotten it. I am the only one here right now who remembers it, though there are several others, I understand, who are getting some memory of it who have not expressed themselves as yet.

Mr. BONE. Mr. President—

Mr. LONG. Mr. President, will the Senator from Iowa permit me to yield to the Senator from Washington?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Washington?

Mr. DICKINSON. I yield.

Mr. BONE. Does the Senator from Louisiana recall what the Republican Senators said about the same proposition?

Mr. LONG. I do not answer for them. I hope they accepted the verdict of the people.

Mr. BONE. A great many gentlemen in the Congress are going to have to accept the verdict of the people a little later on unless there shall be some very drastic changes.

Mr. DICKINSON. Mr. President, right on this point, I have here the document entitled "Hawley-Smoot Tariff Bill of 1930—Yea-and-Nay Votes." I will be glad to refer to a few of these votes in view of the discussion which has just taken place. On page 11 of this document, known as "Document No. 177, Seventy-first Congress, second session", I find that Senator Smoot had pending to the tariff bill an amendment which gave the Tariff Commission the right, after investigation as to the cost of production, and so forth,

to make a report to the President, and the President, in turn, could either raise or lower the tariff duties 50 percent. I find that when the Smoot amendment was pending the then Senator from North Carolina, Mr. Simmons, offered a substitute which required that the report of the Commission should come to Congress for either approval or disapproval. The Senator from Florida [Mr. FLETCHER] said:

I desire to offer the following amendment to the amendment: At the conclusion of paragraph 2, page 2, strike out the period following the word "Commission" and insert a comma and the following language:

And if Congress fails or refuses to take action thereon within 3 months and complete such action within 4 months thereafter, the President is authorized, by proclamation, to put into effect the changes in the rates of duty in accordance with his recommendation to the Congress: *Provided*, Such changes in rates shall not exceed 50 percent of the rates of duty provided in the law, either as to increases or decreases; but this proviso shall not apply to the free list.

The Senator from Florida [Mr. FLETCHER] said:

Mr. President, I am not going to take time to discuss my amendment to the amendment. It is to meet a situation which I conceive will arise in two thirds of the cases that may be submitted to Congress. The substitute provides that the Tariff Commission shall report to the President and that the President shall transmit that report to Congress with his recommendations respecting any increases or decreases in the rates of duty. Now, if that recommendation is satisfactory to the Congress, there is no need for any congressional action at all. The evidence that Congress finds it satisfactory will be established by the failure or declination of Congress to act within 3 months after the recommendation is made to it. I think that will meet probably two thirds of the cases which will be presented. There is no need for congressional action in such cases.

I find numerous Senators who are still in the Senate voted for that amendment. This simply shows the tendency at that time, in connection with tariff matters, that there should be no exclusive jurisdiction placed in the hands of the President without some manner of review, some yardstick, some way by which the interest of the public could be protected; and that it should not be merely subject to the whim of one man to do as he pleased.

Among the various amendments I find another offered by the junior Senator from Florida [Mr. TRAMMELL]. This indicates the procedure Senators had in mind when we had before us the famous Smoot-Hawley tariff bill with reference to the flexible provision of that law. The pending bill goes much further and provides that there shall be no way by which we may judge the cost of production. It permits us to ignore everything, and suggests that in some way Congress should abdicate its authority to fix a yardstick by which the matter could be determined, and should give to some executive authority the right to carry out the program.

In the minority report on the Smoot-Hawley tariff bill signed by the Senator from Mississippi [Mr. HARRISON], the Senator from Utah [Mr. KING], the Senator from Georgia [Mr. GEORGE], the Senator from Massachusetts [Mr. WALSH], the Senator from Kentucky [Mr. BARKLEY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Texas [Mr. CONNALLY], at page 4150 of the RECORD of October 2, 1929, I find paragraph 2 reads as follows:

The question involved is one that, in our opinion, strikes at the very roots of constitutional government.

In other words, they meant it would be a sacrifice of the rights of the people by their representatives to transfer from the authority of Congress to the authority of the Executive the right to do something which they contended should not be done. This report, let it be remembered, was against the adoption of the flexible provision of a tariff law which had to have a yardstick, which involved research, and a program laid down which must be followed, before a change could be made at all. It was entirely different from and less offensive than the one we are now considering.

Mr. BARBOUR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New Jersey?

Mr. DICKINSON. I yield.

Mr. BARBOUR. Is it not also a fact that any change in the tariff under the provisions to which they objected at

that time could be again changed at any time by the Congress?

Mr. DICKINSON. Oh, yes.

Mr. BARBOUR. While the changes proposed to be made by treaty cannot again be changed at any time unless we can get the consent of the other contracting nation. It is infinitely more binding on our people.

Mr. DICKINSON. Oh, yes; and it would bring the other contracting parties here and enable them to say how we should control our own domestic affairs.

Mr. FESS. Mr. President—

Mr. DICKINSON. I yield to the Senator from Ohio.

Mr. FESS. In other words, it is proposed to do away with being embarrassed either by the people or by their Representatives in Congress.

Mr. DICKINSON. That is true.

Mr. FESS. And to free themselves from any embarrassment of that kind.

Mr. DICKINSON. Yes. Let me continue reading from the report. Remember, this is the Democratic minority report on a bill which limited the authority and fixed the yardstick:

It concerns the preservation unimpaired or the abandonment of the power of levying taxes by that branch of the Government which the forefathers agreed should alone be charged with that duty and responsibility.

It seems to me that when the Democrats, by reason of the coercion of the administration, come here and reverse themselves with that signed report confronting them, we have reached a peculiar situation with reference to our representative form of party government. Let me quote further:

The issue is one of taxation by one official, be he president or monarch, in contrast to taxation by the representatives of the people elected.

That is, taxation without representation, as complained of by the colonial forefathers.

The issue is one of taxation by one official, be he president or monarch, in contrast to taxation by the representatives of the people elected, intrusted exclusively with the power to seize the property of the citizens through taxation. If proof be needed that the danger which the forefathers foresaw is inherent in this issue, a mere casual inquiry into the methods employed, selfish influences used, sinister schemes and contrivances brought to bear, one need but examine the record.

The principle is: Are taxation laws and their application to be made virtually in secret?

In secret? Yes; and by one man, and when they have a treaty already made, about which they apparently do not want the Senate to know anything, they provide a type of notice that is not effective, and proper notice cannot be given to anyone. I continue to quote:

The principle is: Are taxation laws and their application to be made virtually in secret, whatever may be said about a limiting rule, or are they to be enacted by the responsible representatives of the people in the Congress, where public debate is held and a public record made of each official's conduct?

Is it not a great thing now to have this record of official conduct? No such record as this would be available if the bill now before us should become a law and go into effect. The President would not have to come to Congress to ask for anything. He could do as he pleased, and do it when he pleased. Yet it is expected that business is going to recover. Here we are trying to expand 7 percent of foreign trade, at the risk of punishing 93 percent of domestic trade, with the idea that we may, if you please, punish 93 percent of our domestic trade for the chance, because immediately when we try to adjust these schedules we only run a chance of getting the export trade; we are not sure of it; we do not know whether we are going to be able to get it or not, because we are competing with the nations of the world.

I continue to read from the minority report:

The arbitrary exercise of the taxing power, all the more dangerous if disguised and not obvious, in its basic character is tyranny. Resistance to the impairment of this popular right has largely occasioned many of the wars and revolutions of the past.

Someone expressed a good idea here.

An issue of this importance should not be associated with the opinions or necessities of those interests, States, or sections that directly profit by some rate schedule in the body of the tariff act. With respect to the principle here at stake any trading or logrolling is especially unjustifiable and indefensible. Neither should we be unduly influenced by the attempt to divert attention from this momentous issue by condemnation of and emphasis upon the dilatory and unsatisfactory results of congressional procedure.

That is the very thing the administration is saying is the principal reason why we ought to adopt the pending tariff bill!

Mr. TYDINGS rose.

Mr. DICKINSON. I want to say for the benefit of the Senator from Maryland [Mr. TYDINGS], who just rose, that I have some quotations from statements made by him which I shall submit in a few moments.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. TYDINGS. The Senator from Maryland is very happy to have the Senator from Iowa use any quotations he desires from the remarks of the Senator from Maryland. What I rose to ask, however, was whether the Senator had any suggestions as to how we might approach this situation.

It takes about 6 or 8 months to pass a tariff bill in Congress. In the present depression a great many governments have conferred the tariff-making power on a single individual. I read the other day that there were five or six men in the world who could change the tariff acts of their countries overnight.

Without taking issue as to the merits of the question as it has been expounded by the Senator from Iowa, I am sure he will concede that we are at a disadvantage in that we have to have legislative action in order to change our tariff, while other governments have relinquished legislative action in tariff making. I was wondering, therefore, if the Senator had any suggestion as to how we might meet that difficulty otherwise than by the procedure which is proposed in the measure now pending.

Mr. DICKINSON. I would meet it by the method which is the result of 150 years of tariff experience in America, and that is this: The countries which give executive authority along the line the Senator suggests usually are countries of limited industries, countries which have only a limited number of commodities in which they are interested. We are a country of practically all commodities and all interests. What I would do would be to follow the same rule that should be followed by a clothing merchant, for example. If I were a clothing merchant in this city and wanted to sell clothes, I would not say to the Senator from New Jersey [Mr. BARBOUR] when he came in to buy a suit of clothes, "I will sell you a suit of clothes, and I will throw in a necktie and a pair of suspenders and a pair of socks", and then, when the Senator from Ohio [Mr. Fess] came in, say to him, "I will sell you a suit of clothes, and I will throw in a necktie and pair of suspenders", and forget the socks, and when the Senator from Maryland [Mr. TYDINGS] came in, sell him a suit of clothes and throw in the necktie with neither of the other two articles. In other words, I do not believe we are in a position where we ought to make special bargains with any country in the world. I would put up the tariff barriers to a point where I thought they protected domestic interests, and then I would say to the world, "Come and trade with us under these rules and regulations, and your trade is welcome. Otherwise, we will try to get along without you."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. TYDINGS. The Senator will admit that, outside of 4 or 5 products, practically all the products we import are also produced in America. Coffee, rubber, and a few other commodities, we do not produce at all, and there are some of which we produce a little; but really we produce nearly all the commodities that our people consume.

Mr. DICKINSON. That is the reason why I suggested the rule I have just announced.

Mr. TYDINGS. Does not the Senator think that according to his philosophy it would be a good thing if we should entirely prohibit all imports of commodities which we produce?

Mr. DICKINSON. Oh, no; I am not an embargoist.

Mr. TYDINGS. At what point does the Senator feel that such a course would be injurious?

Mr. DICKINSON. The point is determined by the economic conditions of the period in which we happen to be acting.

Mr. TYDINGS. But the Senator said a while ago that he was not primarily interested in what went on in the rest of the world.

Mr. DICKINSON. Oh, no; I did not say that. I am interested in foreign trade.

Mr. TYDINGS. The Senator said he would not deal with any of the other countries on the basis of agreements of that kind. He said they might go ahead with their executive authorities, but that we should not meet that grant of power at all. I see his point there; but what I am trying to bring out is, since he so believes, why does not the Senator, as a matter of logic, believe that we should not import any article which we produce in this country?

Mr. DICKINSON. The conclusion is not at all justified by the premises.

Mr. TYDINGS. At what point is the conclusion not justified?

Mr. DICKINSON. It depends upon the economic conditions of the period in which we happen to be acting, which means wages, cost of material, supply of material, and so forth.

Mr. TYDINGS. Will the Senator yield further?

Mr. DICKINSON. Yes.

Mr. TYDINGS. Then, I take it the Senator is not opposed to the importation in some cases of goods which are also produced in the United States.

Mr. DICKINSON. We produce sugar, and we also import sugar. We have to do so.

Mr. TYDINGS. I say, the Senator is not opposed to that?

Mr. DICKINSON. No; but I am in favor of putting up the tariff to a point where it will protect the domestic producer.

Mr. TYDINGS. Then the Senator is not a 100-percent protectionist.

Mr. DICKINSON. Yes; I am.

Mr. TYDINGS. The Senator claims in one breath that he is a 100-percent protectionist, but he admits in the next breath that he is willing that some of the things we produce in this country shall come in from abroad.

Mr. DICKINSON. No; the Senator is trying to draw from certain premises a conclusion which is not warranted.

Mr. TYDINGS. In what respect is it erroneous?

Mr. DICKINSON. It is erroneous for the reason that I said to the Senator that the action would depend upon the economic conditions which we faced at the time. The only reason why we have this tariff bill before us today is that we confront an economic condition, and the Senator's party is taking a complete somersault in dealing with it. I have the record of the various members of his party and the statements they have made, including the statement of Secretary Hull, who says, "Why, this would be bureaucracy going mad."

Senators on the other side are all trying to explain away their action by saying that this is an emergency, when, as a matter of fact, it will result only in disaster to try to deal with the emergency in this way.

Mr. LONG. Mr. President—

Mr. TYDINGS. If the Senator will yield further—

Mr. DICKINSON. I yield to the Senator from Maryland.

Mr. TYDINGS. I do not want to get away from the point I was originally trying to make. I will return to that; but I do not think the Senator's logic is good, because, if I recall

correctly, he voted then for the very thing of which he is now complaining, and the only difference is one of degree.

Mr. DICKINSON. Oh, no!

Mr. TYDINGS. Oh, yes!

Mr. DICKINSON. Oh, no! [Laughter.]

Mr. TYDINGS. Oh, yes! The Senator voted to place in the hands of the President the right to raise and lower tariff duties within 50 percent of the rates prescribed by Congress.

Mr. DICKINSON. Yes; but after a certain stipulated action had been taken.

Mr. TYDINGS. Now the Senator is complaining about Democrats who were opposed to that authorization then and who now favor it, when the Senator heretofore favored the authorization and now opposes it; so the difference is one of degree only.

Mr. DICKINSON. Is the Senator through?

Mr. TYDINGS. No. I have only begun what I desired to say.

Mr. DICKINSON. I desire to answer the Senator when he completes his statement.

Mr. TYDINGS. I will let the Senator go ahead. I will not interfere with his answer.

Mr. DICKINSON. I will say to the Senator from Maryland that the person who says there is here only a difference in degree has not looked up the history of legislation. Why? Because there is all the difference in the world between a case where there is a yardstick by which a thing must be done, as in the matter of fixing railroad rates, and a case where we say to one man, "You may do as you please without any information, without any investigation." The latter authorization puts in one man's hands a dictatorial power by which he can destroy or benefit any particular industry in which he happens to be interested.

Mr. TYDINGS. The Senator knows just as well as I know that placing in the hands of the President the right to raise a tariff or to decrease a tariff 50 percent, from the standpoint of protection, places in the hands of the President the ability to destroy protection.

Mr. DICKINSON. Oh, no!

Mr. TYDINGS. I can go through the tariff list and show the Senator a hundred items where, if the tariff were reduced 50 percent, there would be no protection.

Mr. DICKINSON. I agree to that.

Mr. TYDINGS. The Senator from Iowa voted for that; and now he charges Democrats with playing fast and loose with the very things which he himself defended.

Mr. DICKINSON. Let me ask the Senator whether he sees any difference between giving one man the right to do that and giving an investigating board the right to make an investigation and a report, and fixing the standards by which the investigation must be made, and the facts which must be found before the change can be made?

Mr. TYDINGS. But the Senator said he was opposed to the bill because it places in one man's hands the ability to destroy the tariff structure, when every Senator knows that when we placed in the hands of President Hoover and President Harding and others the ability to lower the tariff rates 50 percent, we placed in the President's hands the ability to destroy the protective tariff if he wanted to do so; and nobody can say otherwise.

Mr. DICKINSON. I do not agree with the Senator at all. The Senator is entirely wrong in his conclusion.

Mr. TYDINGS. Tell me one tariff duty where it would not do it. Name one.

Mr. LONG. Mr. President, will the Senator let me answer that question?

Mr. TYDINGS. Just a moment; let me have my inning with the Senator from Iowa first, please. Name one tariff duty where it would not do it.

Mr. DICKINSON. I am not suggesting that any President would change a rate 50 percent.

Mr. TYDINGS. But the Senator's party put in the President's hands the power to do it. Neither are we suggesting that he would reduce a rate 10 percent; but what I am getting at is that the other time the Senator from Iowa voted

to place in the President's hands the very power of which he now complains.

Mr. DICKINSON. I did not vote to place it in the hands of the President in the form in which it is being placed in his hands in this tariff bill.

Mr. TYDINGS. If the Senator wants to read quotations, I will read quotations from him where he voted and spoke for that proposal.

Mr. DICKINSON. I am perfectly willing to have the Senator do so.

Mr. TYDINGS. If the Senator wants to be consistent, let him show where the power he heretofore voted to place in the President's hands would not enable him to reduce the tariff.

Mr. LONG. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. DICKINSON. I yield.

Mr. LONG. It may be all right for the Senator from Maryland to argue with a Republican, but the Senator from Maryland and I hitched ourselves out on this question. I will show, Mr. President, what happened shortly after my entry into the Senate, when I followed the Senator from Maryland on this proposition and other leading Senators on this side of the Chamber. I say "on this side of the Chamber", meaning that we still adhere to the Democratic doctrine.

The Republicans had adopted this flexible-tariff provision and the Democrats went on record that they would undo it. The Democratic Party, along with the Senator from Maryland, took the position that even though a certain change in the tariff were advised and recommended and found to be justified by a fact-finding body, none the less they were going to take out of the hands of any President or any bureaucrat the right to change the tariff.

I came here as a tariff Democrat from the State of Louisiana. I came here as the successor of Senator Ransdell, who had voted for the present tariff-making authority, which can be exercised only when the facts have been found by a body supposed, at least, to be independent. Later on I led the fight to elect the opponent of the other Senator from Louisiana who had voted for that tariff-making authority. I came here as a tariff Democrat, and stood for the Constitution, and stood for Democracy, notwithstanding the fact that I was a tariff Democrat.

The first vote that I cast in the Senate on the tariff is found on April 1, 1932, when the Senator from Maryland and I voted to take out of the hands of the President such authority as he now has to fix tariffs, and here is that vote.

Mr. TYDINGS. I have not said that I did not vote in that way. I am just arguing the other way. Nobody in the Senate knows how I am going to vote on the pending measure. The Senator from Iowa has disclosed his position, and I am trying to show that it is in conflict with the position he previously took. So far as I am concerned, I have not disclosed my position, and nobody is able to say that I shall not be consistent.

Mr. LONG. Mr. President, that sounds mighty good to me. I believe the Senator from Maryland is the type of man who will not go before the country and go back on this record and these promises of our party. I do not care what the Republicans do. A plague on their house, so far as I am concerned. [Laughter.] I am trying to save the Democratic Party, and I am glad to have that expression from the Senator from Maryland.

Mr. TYDINGS. I did not say how I am going to vote.

Mr. LONG. I know the Senator did not say. I am assuming that the Senator will be just as honest with himself as he has been with the Senate this afternoon.

Mr. FESS. Mr. President, will the Senator from Iowa yield to me?

Mr. DICKINSON. I yield.

Mr. FESS. The Senator from Maryland is one of the clearest thinkers in this body, and when he makes a statement such as that he made a while ago, and argues with the Senator from Iowa, I am considerably disturbed.

The present law gives to the President, within the limitation of 50 percent, power to increase or decrease tariff rates upon the recommendation of a fact-finding commission, that fact-finding commission acting upon the authority of Congress, limited by the direction of Congress, to find the difference between the cost of production in competing countries and our country, which is the basis of all tariff legislation, outside of revenue tariffs. The Senator from Maryland says that a law thus limited by the direction of Congress is exactly the same as the law now proposed, which would give power to the President to make changes in tariffs, and which is limited, it is true, within certain rates, but is not limited by any direction of the Congress to action upon facts reported by any commission whatever, and he then insists that those of us who voted for the present law and are now resisting this law are inconsistent. How a clear-headed man like the Senator from Maryland can make such a statement I cannot understand.

Mr. TYDINGS. Mr. President, will the Senator from Iowa yield to me?

Mr. DICKINSON. Before I yield further, I should like to insert something in the Record.

Mr. TYDINGS. Will not the Senator allow me to reply before he goes on with that? I will not take long.

Mr. DICKINSON. Very well.

Mr. TYDINGS. The Senator from Ohio conjures a picture, and it strikes me that he turns its face to the wall before he takes a look at it. He says it is all right for the Congress to fix the limitation and then turn the yardstick over to the President to fix a rate, and in the act of Congress we fixed the limitation at 50 percent. The Senator is on sound ground in making that observation.

Let us suppose that we fixed the limitation at 60 percent; would it still be a congressional yardstick? Suppose we fixed it at 70 percent; would it still be a congressional yardstick? Suppose we fixed it at 99 percent; would it still be a congressional yardstick?

Mr. FESS. Yes.

Mr. TYDINGS. I think a yardstick has 36 inches in it; and since the Senator goes to 35 $\frac{7}{8}$ inches, I do not see any use in arguing over the other eighth of an inch.

Mr. FESS. Mr. President, the Senator totally avoids the differentiation I have mentioned. So far as the limitation in rate is concerned, the two measures are identical; but there is a world of difference in that the pending bill would give to the President plenary authority to proceed on his own ipse dixit, while under the present law that cannot be done, but the President is guided by the facts found by a commission, and that commission is limited to one formula fixed by Congress. There is nothing of that kind in the pending bill.

Mr. DICKINSON. Mr. President, let me suggest to the Senator from Ohio that if the contention of the Senator from Maryland is correct, we might as well say there is no difference between legislation passed by Congress and signed by the President and that signed only by the President without being passed by Congress.

Mr. FESS. Certainly.

Mr. TYDINGS. That is exactly what Congress did. Congress said, "Notwithstanding the legislation we have passed, you can change it up or down 50 percent." The Senator from Ohio says that it is perfectly within the yardstick proposition to say, "Here is what we have passed. You can change it 99.44 percent." Therefore, having conceded that the whole act of Congress can be changed by the Presidential ipse dixit, what was the use of passing it? If the yardstick is 36 inches long, he can wipe out the whole tariff, if we give him 100 percent leeway, and we will not have any tariff at all. When Congress gave him discretion up to 50 percent, it marched up and laid down the precedent which has brought us to the exact situation in which we are today.

If the President can reduce a tariff fixed in an act of Congress 99 percent, then we might as well let the President determine the rate in the first place, because he can say, "Notwithstanding the action of the Congress, you have given

me the right to change all the tariff rates if I want to." The Senator cannot get away from that.

Mr. DICKINSON. The Senator from Maryland might as well say that if one takes one drink he is just as drunk as if he takes three.

Mr. TYDINGS. No; I did not say that. What I say is that if one takes one drink, he is drinking liquor, and there is no use arguing he is not drinking liquor when he takes one drink. [Laughter.]

Mr. DICKINSON. Mr. President, on September 27, 1929, as appears on page 4023 of the CONGRESSIONAL RECORD, the Senator from Maryland [Mr. TYDINGS] said:

If the Senator from Texas will yield to me for about 2 minutes, I should like to point out that the Senator from Ohio [Mr. Fess], while not intentionally, of course, has been somewhat unfair in his statement. There are any number of men who believe in the principle of a flexible tariff who do not believe, however, that the power under the flexible provision should be placed in the hands of the President of the United States.

That is what is being done now.

To argue for the flexibility of the tariff is one thing; to argue that the President shall exercise the power given under the flexible provision of the law is another thing.

There are many Senators in this body who are not opposed to the pending amendment, who would not be opposed to having the flexible provision retained in the law were the power under it to be exercised by some agency of the Congress. What we are contending against, as the Senator from Ohio is contending to the contrary, is that Congress should not give up its power to lay taxes and transfer that power to the President of the United States. Mr. Chester Gray is with those of us who take the view that Congress should retain that power. He is not with the Senator from Ohio, who has just put his letter into the Record, because Mr. Gray wants the President eliminated so far as the exercise of that power is concerned.

I can see the logic and the force and the wisdom of having some agency set up between that may take care of injustices and inequalities which may develop in any tariff law, the passage of one bill and the enactment of another, but we can do that without surrendering the legislative power to the Executive of this country. If such a measure shall be offered, drawn along fair and proper lines, I will be inclined to support it, but I am unalterably opposed not to the flexible provision itself so much as I am placing the power to exercise that flexibility in the Executive, who is not the lawmaking branch of the Government and has no more right to lay taxes than has the Chief Justice of the Supreme Court, who heads the judicial department of the Government.

Those were the words of the Senator from Maryland on the flexible provision of the tariff.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. TYDINGS. They are still my words, but, notwithstanding the eloquence and the logic with which the Senator from Maryland appealed to Senators on the other side of the aisle to take the same ground then which he took at that time and which he now takes, they saw fit to go in the opposite direction, and now the Senator from Iowa charges those who voted against that provision with inconsistency.

Why did not Senators over there then stand with the Senator from Maryland? The Senator from Maryland then was fighting the battle the Senator from Iowa now seems to be fighting. I believed what I said then, and I believe it now. There is no inconsistency in my position. The Senator from Iowa did not believe it then, but he does believe it now. He is the inconsistent one, as made out by his own evidence before his own colleagues. He says the remarks I made were splendid, yet his colleagues immediately voted the opposite way.

Mr. DICKINSON. Very well. We will insert now in the RECORD section 336 of the present tariff act and in parallel columns I will ask to have inserted House bill 8687, and I will ask the Senator from Maryland, who is a good lawyer, to read those two measures tomorrow, and if he does not find sufficient distinction between them to cause a good man to take one view of one and another view of another, then I am no judge of national legislation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Iowa?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

SEC. 336. EQUALIZATION OF COSTS OF PRODUCTION

(a) Change of classification or duties: In order to put into force and effect the policy of Congress by this act intended, the Commission (1) upon request of the President, or (2) upon resolution of either or both Houses of Congress, or (3) upon its own motion, or (4) when in the judgment of the Commission there is good and sufficient reason therefor, upon application of any interested party, shall investigate the differences in the costs of production of any domestic article and of any like or similar foreign article. In the course of the investigation the Commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for parties interested to be present, to produce evidence, and to be heard at such hearings. The Commission is authorized to adopt such reasonable procedure and rules and regulations as it deems necessary to execute its functions under this section. The Commission shall report to the President the results of the investigation and its findings with respect to such differences in costs of production. If the Commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the Commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total increase or decrease of such rates of duty exceed 50 percent of the rates expressly fixed by statute.

(b) Change to American selling price: If the Commission finds upon any such investigation that such differences cannot be equalized by proceedings as hereinbefore provided, it shall so state in its report to the President and shall specify therein such ad valorem rates of duty based upon the American selling price (as defined in section 402 (g)) of the domestic article, as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total decrease of such rates of duty exceed 50 percent of the rates expressly fixed by statute, and no such rate shall be increased.

(c) Proclamation by the President: The President shall by proclamation approve the rates of duty and changes in classification and in basis of value specified in any report of the Commission under this section, if in his judgment such rates of duty and changes are shown by such investigation of the Commission to be necessary to equalize such differences in costs of production.

(d) Effective date of rates and changes: Commencing 30 days after the date of any Presiden-

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An act to amend the Tariff Act of 1930

Be it enacted, etc., That the Tariff Act of 1930 is amended by adding at the end of title III the following:

"PART III—PROMOTION OF FOREIGN TRADE

"SEC. 350. (a) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public in the present emergency, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds that any existing duties or other import restrictions are unduly burdening and restricting the foreign trade of the United States or that the purpose above declared will be promoted by the use of the powers herein conferred, is authorized from time to time—

"(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

"(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder. No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly, except that nothing in this section shall be construed to prevent the granting of exclusive preferential treatment to articles the growth, produce, or manufacture of the Republic of Cuba: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts or policies which in his opinion tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proc-

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tial proclamation of approval the increased or decreased rates of duty and changes in classification or in basis of value specified in the report of the Commission shall take effect.

(e) Ascertainment of differences in costs of production: In ascertaining under this section the differences in costs of production, the Commission shall take into consideration, insofar as it finds it practicable:

(1) In the case of a domestic article: (A) The cost of production as hereinafter in this section defined; (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; and (C) other relevant factors that constitute an advantage or disadvantage in competition.

(2) In the case of a foreign article: (A) The cost of production as hereinafter in this section defined, or, if the Commission finds that such cost is not readily ascertainable, the Commission may accept as evidence thereof, or as supplemental thereto, the weighted average of the invoice prices or values for a representative period and/or the average wholesale selling price for a representative period (which price shall be that at which the article is freely offered for sale to all purchasers in the principal market or markets of the principal competing country or countries in the ordinary course of trade and in the usual wholesale quantities in such market or markets); (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; (C) other relevant factors that constitute an advantage or disadvantage in competition, including advantages granted to the foreign producers by a government, person, partnership, corporation, or association in a foreign country.

(f) Modification of changes in duty: Any increased or decreased rate of duty or change in classification or in basis of value which has taken effect as above provided may be modified or terminated in the same manner and subject to the same conditions and limitations (including time of taking effect) as is provided in this section in the case of original increases, decreases, or changes.

(g) Prohibition against transfers from the free list to the dutiable list or from the dutiable list to the free list: Nothing in this section shall be construed to authorize a transfer of an article from the dutiable list to the free list or from the free list to the dutiable list, nor a change in form of duty. Whenever it is provided in any paragraph of title I of this act, or in any amendatory act, that the duty or duties shall not exceed a specified ad valorem rate upon the articles provided for in such paragraph, no rate determined under the provisions of this section upon such articles shall exceed the maximum ad valorem rate so specified.

(h) Definitions: For the purpose of this section—

(1) The term "domestic article" means an article wholly or in part the growth or product of

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lamation. The President may at any time terminate any such proclamation in whole or in part.

"(b) As used in this section, the term 'duties and other import restrictions' includes (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports."

Sec. 2. (a) Subparagraph (d) of paragraph 369, the last sentence of paragraph 1402, and the provisos to paragraphs 371, 401, 1650, 1687, and 1803 (1) of the Tariff Act of 1930 are repealed. The provisions of section 336 of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act. The third paragraph of section 311 of the Tariff Act of 1930 shall not apply to any agreement concluded pursuant to this act with any country which does not grant exclusive preferential duties to the United States with respect to flour.

(b) Every foreign trade agreement concluded pursuant to this act shall be subject to termination, upon due notice to the foreign government concerned, at the end of not more than 3 years from the date on which the agreement comes into force, and, if not then terminated, shall be subject to termination thereafter upon not more than 6 months' notice.

(c) The provisions of this act shall terminate 3 years from the date of its enactment.

Sec. 3. Nothing in this act shall be construed to give any authority to cancel or reduce, in any manner, any of the indebtedness of any foreign country to the United States.

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the United States; and the term "foreign article" means an article wholly or in part the growth or product of a foreign country.

(2) The term "United States" includes the several States and Territories and the District of Columbia.

(3) The term "foreign country" means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions).

(4) The term "cost of production", when applied with respect to either a domestic article or a foreign article, includes, for a period which is representative of conditions in production of the article: (A) The price or cost of materials, labor costs, and other direct charges incurred in the production of the article and in the processes or methods employed in its production; (B) the usual general expenses, including charges for depreciation or depletion which are representative of the equipment and property employed in the production of the article and charges for rent or interest which are representative of the cost of obtaining capital or instruments of production; and (C) the cost of containers and coverings of whatever nature, and other costs, charges, and expenses incident to placing the article in condition packed ready for delivery.

(i) Rules and regulations of President: The President is authorized to make all needful rules and regulations for carrying out his functions under the provisions of this section.

(j) Rules and regulations of Secretary of Treasury: The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles of the class or kind of articles with respect to which a change in basis of value has been made under the provisions of subdivision (b) of this section, and for the form of invoice required at time of entry.

(k) Investigations prior to enactment of act: All uncompleted investigations instituted prior to the approval of this act under the provisions of section 315 of the Tariff Act of 1922, including investigations in which the President has not proclaimed changes in classification or in basis of value or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the Commission in any such investigation may be given due consideration in any investigation instituted under the provisions of this section.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. TYDINGS. I do not know what it is that the Senator has asked me to read, but I hope it is of sufficient—

Mr. DICKINSON. It is the present tariff law; the flexible provision thereof.

Mr. TYDINGS. I understand that, and I do not blame the Senator at all for the remarks he is making. I see the logic of his position. I think there is a great deal to be said on the side of the argument which he is taking; but I point

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out again that there is very little difference between giving a President 50-percent power over tariff rates and giving him 100-percent power. When Congress gave the President a 50-percent power it started this country upon its way. Now the Senator must not complain if, after having pointed the finger in the direction we should go, others come along after the depression and follow in the footsteps of the Senator's party.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. LONG. But because of the fact that the Republicans had made a slight or even a material step in that direction, the Democratic Party introduced in Congress a bill to undo what had been done. That was voted on by Congress in March 1932, I think.

Mr. TYDINGS. Mr. President, will the Senator further yield?

Mr. DICKINSON. I yield.

Mr. TYDINGS. The Senator is not going to make out our friend from Iowa as being even more inconsistent than I have made him out to be?

Mr. LONG. No; I do not have any concern about Republicans. I am trying to save a good Democrat. In other words, I do not want the Senator from Maryland to say that because Mr. Hoover did a thing of this kind that is a good reason why it ought to be done. In other words, while Mr. Hoover did take a step in that direction—we must admit that much—while it is true that he had a fact-finding board which had to find as a matter of fact that whatever tariff rate he set represented the difference in cost of producing a commodity abroad as compared to what it cost here, yet when that fact was found he himself had the right to establish a tariff to take up that difference, provided it did not exceed 50 percent. The Senator from Maryland and the Democratic Party condemned the granting of that power, however, and we rightfully condemned it. We introduced a bill in Congress after the election, which the Congress passed, known as the Harrison bill, which I have in my hand, to undo this flexible tariff, and I voted for it. Though I was a tariff Democrat, though I came from Louisiana, I said, "Though I be a tariff Democrat, I am not willing to have the taxing power taken out of Congress and placed in the hands of the President of the United States." We took that stand to undo it.

Now my friend from Maryland is leaving the Chamber, so I shall not continue further on that subject.

Mr. DICKINSON. Mr. President, before the Senator from Maryland leaves the Chamber, I desire to suggest that if I had the option of going back and repealing the flexible provision, or liberalizing it to the extent suggested in this bill, I should go with the Senator from Maryland.

Mr. TYDINGS. Mr. President, I think that is a very honest and a very fair remark for the Senator from Iowa to make. That point is exactly one which drew me into the debate. The Senator having voted for a thing in principle, although the pending bill may vary in degree from what he previously voted for, I do not see how he could rightfully complain as vehemently as he seems to be complaining, when he himself established the precedent.

Mr. DICKINSON. I never complain about anything. I always take things in good nature.

Mr. FESS. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. FESS. If the Senator from Maryland insists that there is no material difference between the pending legislation and the legislation which the Senator from Iowa and I supported, I wonder why there should be so much effort toward having the present law changed.

Mr. DICKINSON. Of course, everyone knows that the present machinery will not permit the doing of that which it is attempted to do under the pending bill.

Mr. FESS. And everyone knows that there is a world of difference between the two.

Mr. DICKINSON. That is absolutely true. It is true, as the Senator from Maryland contends, that the existing law

contains provisions which are flexible in their scope; but if I were to be compelled to elect between the extreme of this bill and going back to the repeal of the flexible provisions, I should do the latter, because I do not want to put that uncertainty ahead of industry in this country.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. LONG. As a matter of fact, I had planned to propose at a later time to the Republicans and to the Democrats that we take the word of the people on this matter anyway. Would it not be better for us to take the platform of the Democratic Party and make it the law? The Democratic Party won out on the issue that this flexible authority ought to be repealed. At the proper time I shall offer as a substitute for the bill which is now before the Senate the bill voted by the last Democratic House and Democratic-Progressive Senate, which was known as the "Harrison bill", to repeal the flexible provision of the tariff law. That ought to be voted for by every good Democrat, because that is what we carried before the people; and the Republicans, rather than have this power extended, ought to accept the will of the people and join in and vote as good Americans for that which was promised by the Democratic Party, on which it won out before the American people.

Mr. DICKINSON. Mr. President, continuing the discussion along this line, I desire to quote from the CONGRESSIONAL RECORD of September 12, 1929, page 3542. Senator Simmons, of North Carolina, then the minority ranking member of the Finance Committee, said:

That would mean but one thing, namely, that the Congress of the United States, invested by the Constitution with the sole power to impose taxes, had deliberately delegated a large part of that legislative power to the executive branch of the Government—taking from the people and giving to the President practically one half of a power which can kill or make alive; which can destroy or build up. It is an Anglo-Saxon principle that the people, through their legislative representatives, should at all times retain control of the purse strings of the Nation. Talk about centralized government! Nothing would tend to centralize all power in the head of the Government at Washington to as great an extent as the flexible tariff scheme now proposed.

If we were that much wrong, how much more wrong would we now be if we should vote for this legislation?

Continuing to quote from former Senator Simmons:

But if the President is given the latitude and discretion in fixing these rates provided in the bill now pending, an entirely new situation would be created, and industries desiring an increase in statutory rates would go to the President and the Tariff Commission instead of coming to Congress for the relief they wish. They would have to deal only with one man instead of having to deal with nearly 600 representatives of the people in the two branches of the Congress.

Personally, I have no doubt as to its unconstitutionality, but there are others here.

He summarized by saying:

By its liberalization of the flexible provisions, enlarging the powers and discretion of the President, the latitude allowed the President in the imposition of additional duties is dangerously expanded.

I now quote from the Senator from Tennessee [Mr. McKellar], who, at page 3667 of the CONGRESSIONAL RECORD of September 16, 1929, inserted an article from which I quote:

Obviously Congress cannot delegate its taxing power to any commission. Many of the greatest lawyers and jurists of the land believe that the present provision of the law, which permits the President to exercise authority in raising or lowering the duties without reference to Congress, is close to the line of unconstitutionality.

The Senator from Utah [Mr. King] said, on September 17, 1929, page 3685:

I admit that I have fears of bureaucracy, and distrust Executive authority in the exercise of discretionary power.

Former Senator Simmons, on page 3867, September 23, 1929, said:

I outlined in general terms what that scheme would be, namely, to retain the Tariff Commission with the functions which it possessed prior to the passage of the flexible tariff provision, but require them to report to the Congress instead of to the President.

I now quote from the Senator from Florida [Mr. FLETCHER] on September 26, 1929, page 3979, when he said:

The principle of the difference in cost of production at home and abroad on the basis of just competition I believe is sound.

The main argument against the flexible provision, the Smoot amendment, and section 366, is it places too much power in the hands of the President.

That is of record here as against the type of law that we were then considering.

The late Senator Walsh, of Montana, said on September 26, 1929, at page 3981:

Now, Mr. President, to the matter before us.

The essential feature of the provisions under consideration contemplates the transfer of a part of the taxing power, as the present law transfers a part of the taxing power, from the Congress of the United States, the legislative branch, to the President, the executive branch.

Moreover, why should we undertake to fix the rates at all? Why not just declare in the bill what commodities shall go on the dutiable list and what commodities shall go upon the free list, and then provide that the Tariff Commission shall ascertain the difference in the cost of production with respect to these commodities at home and abroad and give the Tariff Commission power to fix the rates?

That was not done. The then Senator from Montana, Mr. Walsh, said, on page 3981, on the same day:

I add here that, when the question was before the Senate in 1922, there were just 2 votes on the Democratic side in favor of the flexible provisions. Every other Democrat voted against them, as well as distinguished Senators on the other side of the Chamber.

The attitude of the Democratic Party with respect to these flexible provisions, I undertake to say, is better determined and judged from the action of Democratic Senators in 1922, and by the platform adopted in 1928.

In other words, they were no longer running true to form so far as their platform was concerned.

The then Senator from Montana, Mr. Walsh, on September 26, 1929, at page 3984, also said:

Mr. President, if we can constitutionally grant this power to the President, why should we not give him the right to transfer specific rates to ad valorem rates in order to equalize the difference in the cost of production? Evidently Senators on the other side, enlightened by whatever discussion took place upon the floor, concluded that they had better not take a chance on giving any such power to the President.

The fact is, as has been stated here this morning, that a perfectly impossible task to put up to the Tariff Commission and to the President of the United States to ascertain what is the difference in the cost of production at home and abroad.

He was against the entire provision. I continue to quote from Senator Walsh, of Montana, at page 3985:

Mr. President, I said I am not going to discuss the question of the constitutionality of this measure in view of the decision of the Supreme Court, except as the question remains unsettled in respect to the bill as it came from the House. But I want to call attention to the fact that the act was sustained by the opinion of the Supreme Court by the adroit avoiding of every controversial question there was in the case, the Court contenting itself with glittering generalities concerning propositions which no one denied or controverted.

The Tariff Commission ought to be continued to discharge the work for which it was created. We should not impose upon it the obligation to levy duties—and that is what this scheme amounts to, because it is perfectly obvious to everybody that the President cannot possibly devote the necessary time to it, that his connection with the thing will be largely nominal. To repose any such power in the President or the Tariff Commission is not only violative of fundamental principles of government but it is contrary to sound business principles.

I want to suggest here that the pending bill not only goes that far but under it the President does not have to consult the Tariff Commission; he does not have to consult anybody; and, according to Assistant Secretary Sayre, all they are going to do is to have some research made, and then he is going to make it known as to what he thinks ought to be done and change the tariff just as he wants to. That is what the upshot of this bill will be. I quote from the remarks of the Senator from Maryland [Mr. TYDINGS] on page 3989 of the RECORD of September 26, 1929:

The minute, Mr. President, you take from the people the right of their representatives to levy taxes and put that right in the hands of a man who can practically perpetuate himself in office for 8 years, you repeal the thirteenth amendment in effect, because we are all economic slaves, and the only difference is that we have a little hope in 8 years of removing our bonds, where under most forms of slavery that hope cannot be entertained.

I quote now from the Senator from Tennessee [Mr. McKELLAR], who on September 26, at page 3995, said:

It affords a club of power over the industries of this country. So long as it is in the President's power to act under such a provision they have got to kowtow to him; they have got to consider him; they cannot take a stand against him, because they do not know when he may use this power against them. It is a tremendous power, which was given in the first instance by the American people to the Congress of the United States. * * *

The distinguished Senator from Maryland [Mr. TYDINGS] was right. If we can give away this power, if we can turn over to the President the power to legislate on revenue, we can delegate to him any other power than we may have under the Constitution.

We ought not to give to the President this great power of raising revenue. It is immaterial, as I have shown, as it has been administered heretofore; but the great trouble is that it is a club which we put in the President's hands for the future, if he desires to use it in that way, toward the industries and toward the farmers and toward the consumers of the country.

Next I shall quote from the Senator from Utah [Mr. KING] on September 27, 1929, at page 4017:

We all have a deep affection for the Constitution and desire it to be preserved in letter and in spirit. But there is sometimes indifference to fundamental questions and to the importance of restricting each branch of the Government to the sphere to which the Constitution assigns it.

That is one of the things we are facing here at the present time.

I quote again from the Senator from Maryland [Mr. TYDINGS] on September 27, 1929, at page 4018:

Let us suppose that we do give to the President this power to raise and lower the taxes on imports. Would it not be just as sensible to give him other powers similar to that, to increase or decrease the size of the Army without recourse to Congress or to increase or decrease the size of the public debt without recourse to Congress?

Of course, no one questions that this proposed law goes very much further than any measure we have ever previously had before us.

On September 27, 1929, at page 4026, the Senator from Texas [Mr. CONNALLY] said:

For myself, Mr. President, my conviction is that that power, surrendered in 1922, ought to be recaptured by Congress and redeposited where it belongs, in the legislative department of the Government.

Mr. President, I want to quote from Secretary of State Hull while he was a Member of the House. I served with him over there for 12 years. He is most estimable in every way, but I do not know how he is going to be able to reconcile his change of position on this question.

Mr. LONG. Mr. President, the Senator does not know, perhaps, that at a much later date Mr. Hull spoke in regard to this question, after he had drafted the tariff platform of the 1932 Democratic National Convention at Chicago. I presume the Senator is about to read from something Mr. Hull said in 1929, is he not?

Mr. DICKINSON. I am about to read from remarks made by him on May 13, 1929.

Mr. LONG. Mr. Hull spoke on this question about 3½ years later, and if the Senator will allow me to give that later authority I should like to do so.

Mr. DICKINSON. I would be very glad to have it.

Mr. LONG. I should like to bring it up to date, because Mr. Hull was then on his way to becoming Secretary of State. Here is what he said on May 19, 1932:

I am unalterably opposed to section 315 of the tariff act and demand its speedy repeal. I strongly condemn the proposed course of the Republican Party, which contemplates the enlargement and retention of this provision, with such additional authority to the President as would practically vest in him the supreme taxing power of the Nation contrary to the plainest and most fundamental provisions of the Constitution—a vast and uncontrolled power, larger than has been surrendered by one great coordinate department of government to another since the British House of Commons wrenched the taxing power from an autocratic king.

I am quoting from Mr. Hull speaking 3 years later than the quotation which the Senator from Iowa is about to read.

I quote further from Mr. Hull:

The proposed enlargement and broad expansion of the provisions and functions of the flexible tariff clause is astonishing, is undoubtedly unconstitutional, and is violative of the functions of the American Congress. Not since the Commons wrenched from an English king the power and authority to control taxation has there been a transfer of taxing power back to the head of a government on a basis so broad and unlimited as is proposed in the pending bill. As has been said on a former occasion, "This is too much power for a bad man to have or for a good man to want."

That is from Mr. Hull speaking in 1932, and saying that a bad man should not have this power and that a good man would not take it.

Mr. President, there came a time when George Washington was importuned to accept some of the powers that belonged to the law-making body, and Washington declined to accept them. There came a time when Lincoln was importuned to assert a right and to allow Congress to abdicate; but Lincoln declined to do so. Jackson also declined to do so. In this particular case Mr. Hull, after making these remarks on the 19th day of May 1932, went over to Chicago and drafted the Democratic platform, and the plank is now in the Democratic platform, and reads:

We advocate a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference.

After that had been done, Mr. Franklin D. Roosevelt caught the spirit—or already had the spirit, no doubt—and said on July 30, 1932:

It is a difficult and highly technical matter to determine cost of production abroad and at home. A commission of experts can be trusted to find such facts. Then the facts should be left to speak for themselves, free from Presidential interference.

That is the statement of Mr. Roosevelt. I have quoted the statement of Mr. Hull; I have quoted the Democratic platform; and the distinguished Chairman of the Senate Finance Committee at this time, then the ranking minority member of the committee, the Senator from Mississippi [Mr. HARRISON], said this on May 29, 1930:

It is all wrong that such an opportunity as resides in this flexible tariff provision should be afforded to any President of the United States. That statement applies, of course, to a Democratic President.

I just want the Senator from Iowa to know that the pledge of the party is not 3 years ancient. There are some people who feel that after 3 or 4 years have passed that such a pledge does not amount to anything in this quick-changing time and scene of passing events, but this is the platform of the Democratic Party.

If I may be permitted, at this point, while I read it into the RECORD yesterday, I should like to have an opportunity to read again a little quotation. The Democratic Party went on record in favor of telling the truth. There are many who do not believe that, but it is a fact. Whenever I am contradicted on that point I want to assert again that the party did go on record and actually said it was telling the truth and that it wanted the people to believe it was telling the truth. I am going to read that statement again. I read from the Democratic platform of 1932:

We believe that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe.

The people are entitled to know, said the platform, in plain terms the contract that we are asking them to sign. What are those plain terms?

We advocate a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference.

Is there anybody in the United States who does not understand those plain terms which they said were a covenant with the people? Is there anyone who does not understand the words of the Secretary of State in the year 1932 on the 19th day of the month of May? Is there anyone who does not understand what President Roosevelt meant when he

said what I have just read? I have numerous other statements to that effect.

But what have we before us now? We have no issue except whether the Democratic Party is going to tell the American people, "We made that statement, but we have decided we are not going to do it", or whether they are going to say, "We made that promise, you elected us on our promise, and we will be an honest party and keep our word and go through with what we have advocated and what we pledged to the people." That is the issue, not as ancient as 1929, but made in 1932.

I thank the Senator from Iowa for yielding to me.

Mr. DICKINSON. Mr. President, I want to insert in the RECORD one further quotation. Under date of May 13, 1929, at page 1211 of the CONGRESSIONAL RECORD, Representative Hull, now Secretary of State Hull, said:

Mr. Chairman, the proposed revision provides in effect that the valuation by appraisers shall be final except by appeal to the Secretary of the Treasury. This astonishing proposal strips bare the jurisdiction of the Customs Court and its authority to adjudicate unquestioned and hitherto unchallenged rights of the citizens. This is bureaucracy run mad. The very suggestion that the most valuable property rights of the citizen can be disposed of or dealt with as a finality by the Treasury Department without the slightest recourse to the courts of the country is wholly impossible to understand.

Then he proceeded to make various deductions with reference thereto.

What I want to suggest here is the trend we are taking all along the line. I have shown the transfer of power to the Executive from the legislative branch of the Government. We have it involved in a hundred ways. We find that now it is proposed to transfer the power to control crop production by the Secretary of Agriculture. We have a processing tax which is a penalty upon the producer all along the line.

Mr. FESS. Mr. President, will the Senator from Iowa yield to me at that point to enable me to read a letter?

The PRESIDING OFFICER (Mr. LONERGAN in the chair). Does the Senator from Iowa yield to the Senator from Ohio?

Mr. DICKINSON. I yield for the purpose indicated.

Mr. FESS. There has just been handed to me a letter discussing the operation of the processing tax on farm products, especially with reference to hogs. I have not received at any time any statement from any individual that is quite so succinct and quite so convincing as the letter I have in my hand at this moment.

Mr. LONG. Mr. President, may I ask the Senator from Ohio from whom the letter came?

Mr. FESS. This is a letter from a citizen of my State living only a short distance from my home. I know him to be a very distinguished agriculturalist. Its importance rises out of the fact that the writer of the letter does not belong to the party to which I belong. He belongs to the administration party. He is an honored and distinguished member of that party in my State. Here is the statement he makes in the letter to me:

WASHINGTON, D.C., May 24, 1934.

HON. SIMEON D. FESS,
United States Senator, Washington, D.C.

DEAR SENATOR: Having been in the Capital for some 2 or 3 weeks in reference to the stockyard code, in which I am interested, I have tried on various occasions to interest somebody in some way in the drastic steps of the processing tax on hogs as it exists today. Let me illustrate to you in this way:

I sold one hog weighing 250 pounds at 3½ cents per pound, the hog costing the killer \$8.75. The processing tax on this hog was 57 percent of the gross sale, making the hog cost the packer \$13.73.

Now, Senator, I want you to know that at no time in the history of any nation on earth was there ever a tax levied in time of war, peace, or pestilence that equaled 57 percent of the gross sale of the product. This is not only true in the case of this one hog but it is true in the case of 100 hogs, 1,000 hogs, or a trainload of hogs.

In my conversation with some of the agricultural experts while here a gentleman told me that his wife had invited him to come to dinner early, and he being in the Agricultural Department, she stated that she had meat for dinner. After the dinner was over she informed him that she ate two slices of the fresh side, the maid ate one, and he ate the balance; that the pound of fresh side she had purchased that afternoon cost 54 cents per pound. He inquired why that great cost. I explained the best I knew how

that after the processor had received the hog costing \$8.75, and the processing amounted to \$4.98 on top of that, making the cost \$13.73, that \$13.73 was the cost of the hog in the packer cooler.

Before this hog could get to the consumer it had to be cut up, wrapped, packed, carted to transportation, transported, transported the second time to the ultimate retailer, uncrated, unpacked, cut up, sold over the counter, distributed by deliverymen to the consumer.

When the gentleman grasped this, he said, "My God, I cannot see why it did not cost me 75 cents a pound!"

Now, Senator, when a processing tax on hogs is 57 percent of the ultimate sale price, the hogs in Chicago today cost on an average of less than \$3.50 per hundredweight, cattle on the same market cost \$9.50 without a processing tax; lambs on the same market without a processing tax, \$10.25; calves on the same market, \$7.50.

Is there no way before this adjournment of Congress that that ruinous processing tax can be removed from the hogs. If that can be done, in one day the hog market in all interior points will jump from \$2 to \$2.50 per hundredweight.

Two hundred million dollars has been appropriated for the processing tax on cattle. Is there no way that could be diverted to finish paying for the pigs immolated last fall, and the residue toward the farmer for the corn-hog plan, thus relieving the hog of that excessive tax?

With a tax that high, no man, whatever his occupation, will consume a product with that tax. Farmers, and all classes of people, will buy another species of meat that they know does not have a ruinous tax. In some instances beef sold over the same counter as pork is cheaper in certain cuts than pork, but the consumer is opposed to the tax, and if it could be removed, he would find the greatest boon to the farmer that had happened to him for many a day. Besides the \$2 to \$3 immediate rise in the hogs, all doubts and uncertainty would be removed as to the future processing tax on cattle.

The farmer would know where he stood. The Southwest is full of cattle. The eastern pastures need them. The Southwest would immediately disport the cattle to the eastern pastures. Can you not see the benefit to all parties concerned? Even the railroads would have a general pick-up by increased carriage of livestock.

I do not want to bother you with a lengthy argument or a lengthy sob story, but if something is not done before the adjournment of this Congress to relieve the farmer of that tax, I am afraid that before this thing is over with, the U.S.A. will not stand for the United States of America but for the United States of Agriculture. I know wherein I speak, having at one time occupied the position of the largest individual livestock shipper in the United States. I know the farmer, and I know his needs. Ninety-eight percent of the farmers in the agricultural districts are opposed to this processing tax on hogs. The only persons in favor are those who are receiving \$4 a day and mileage occupying the position that the snoopers did when snooping under the Volstead Act. Now they count the farmer's pigs, measure his acreage to see if he has been chiseling, and to tell him when and how to sell and to reap, and to wet nurse all of his activities.

Yours very truly,

FRANK DEWITT,
Washington Court House, Ohio.

Washington Court House is very close to my home. I know this gentleman as an outstanding citizen. As I have stated, his letter cannot be of a political or partisan character because he is a distinguished Democrat; and I read it and put it in the RECORD for what it is worth.

Mr. DICKINSON. Is the Senator from Ohio aware that in the sugar bill there is included a penalty section which provides that if a dealer in a commodity on which there is a processing tax makes any false statement with reference to the processing tax or its effect on prices, and so forth, he is subject to a fine and penalty and imprisonment?

Mr. FESS. I am; and the worst feature of that is that it is not the result of law. It is the result of an agreement that is later on announced by the Secretary of Agriculture in pursuance of a general law giving him power to say not only what the law is but what is to be the penalty for its violation, and how the penalty is to be administered. That is the un-American part of it, for which I do not think the country is going to stand very long.

Mr. DICKINSON. Mr. President, because of the numerous interruptions, I find that I shall not be able to conclude my remarks tonight. For today, therefore, I yield the floor.

Mr. LONG. Mr. President, has the Senator concluded his speech?

Mr. DICKINSON. For today.

Mr. LONG. I do not desire to interfere with the Senator from Connecticut [Mr. WALCOTT] if he wishes to speak at this time. Does the Senator wish to speak now?

Mr. WALCOTT. Mr. President, I should very much rather let my remarks go over until tomorrow afternoon.

Mr. LONG. The Senator would prefer to take that course?

Mr. WALCOTT. Very much.

Mr. LONG. I do not want to interfere; but if I will not interfere with the Senator from Connecticut, who has so kindly agreed to wait, since I may not be here very many more days, I should like to conclude the remarks that I announced the other afternoon I should finish at an early date.

I first send up an amendment which I ask to have printed and lie on the table, and also ask to have it printed in the RECORD, I intend to offer this amendment as a substitute for the pending bill. This amendment is the bill which was passed by the last Congress, known as the "Harrison bill", and was vetoed by President Hoover.

The PRESIDING OFFICER. The amendment will be printed and lie on the table, and, without objection, will also be printed in the RECORD.

Mr. LONG's amendment, in the nature of a substitute, is to strike out all after the enacting clause and in lieu thereof to insert:

That section 336 of the Tariff Act of 1930 is amended to read as follows:

"Sec. 336. Recommendations for adjustment of duties.—(a) Upon the request of the President of the United States, or upon its own motion, or upon application of any interested party showing good and sufficient reason therefor, the Commission shall investigate and ascertain the differences in the cost of production of any domestic article and of any like or similar foreign article. If the Commission finds it shown by the investigation that the duty imposed by law upon the foreign article does not equalize the differences in the cost of production, when efficiently and economically produced, of the domestic article and of the foreign article when produced in the principal competing country or countries, then the Commission shall report to the President and to the Congress its findings and its order with respect to such increases or decreases in the duty upon the foreign article as the Commission finds to be necessary in order to equalize such differences in the cost of production. Any such increased or decreased duty may include the transfer of the article from the dutiable list to the free list or from the free list to the dutiable list, a change in the form of duty, or a change in classification. The report shall be accompanied by a statement of the Commission setting forth the findings of the Commission with respect to the differences in cost of production, the elements of cost included in the cost of production of the respective articles as ascertained by the Commission, and any other matter deemed pertinent by the Commission. Sixty days after the date of the report to Congress of such order by said Commission, such changes in classification shall take effect, and such increased or decreased duties shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila): *Provided*, That if before the expiration of such period of 60 days the Congress then in session shall have by joint resolution declared said order of said Commission rejected, then the changes in classification, forms of rate, or increases or decreases in rates of duty specified in such order of said Commission shall not go into effect.

"The President, upon receipt of any such report of the Commission, shall promptly transmit the report to the Congress with his recommendations, if any, with respect to the increase or decrease in duty proposed by the Commission.

"Any bill having for its object the carrying out, in whole or in part, of the recommendations made by the Commission in any such report shall not include any item not included in such report; and in the consideration of such bill, either in the House of Representatives or in the Senate, no amendment thereto shall be considered which is not germane to the items included in such report.

"(b) No report shall be made by the Commission under this section unless the determination of the Commission with respect thereto is reached after an investigation by the Commission during the course of which the Commission shall have held hearings and given reasonable public notice of such hearings, and reasonable opportunity for the parties interested to be present, produce evidence, and to be heard. The Commission is authorized to adopt such reasonable rules of procedure as may be necessary to execute its functions under this section.

"(c) In ascertaining the differences in costs of production under this section, the Commission shall take into consideration, insofar as it finds it practicable—

"(1) The differences in conditions of production, including wages, costs of materials, and other items in cost of production of like or similar articles in the United States and in competing foreign countries;

"(2) Costs of transportation;

"(3) Other costs including the cost of containers and coverings of whatever nature and other charges and expenses incident to placing the article in condition, packed ready for delivery, storage costs in the principal market or markets of the United States and

of the principal competing country or countries, and costs of reconditioning or repacking wherever incurred;

"(4) Differences between the domestic and foreign article in packing and containers, and in condition in which received in the principal markets of the United States;

"(5) Differences in wholesale selling prices of domestic and foreign articles in the principal markets of the United States insofar as such prices are indicative of costs of production, provided such costs cannot be satisfactorily obtained;

"(6) Advantages granted to a foreign producer by a foreign government or by a person, partnership, corporation, or association in a foreign country;

"(7) Any other advantages or disadvantages in competition which increase or decrease in a definitely determinable amount the total cost at which domestic or foreign articles may be delivered in the principal market or markets of the United States; and

"(8) Definition of costs of transportation: Costs of transportation for the purposes of this section shall be held to include, insofar as applicable:

"(1) Freight charges and all other charges incident to transportation, including transit insurance, costs of loading and unloading, and port charges and landing charges. These costs shall be computed to such principal market or markets of the United States as may most nearly insure equal competitive opportunity to domestic articles and like or similar foreign articles in the principal consuming region or regions of the United States. If this purpose may be best accomplished thereby, such costs on domestic articles and on like or similar foreign articles shall be computed to different principal markets of the United States.

"(2) (A) In the case of an imported article, the cost of transporting such article from the areas of substantial production in the principal competing country to the principal port of importation of such article into the United States; and (B) in the case of a domestic article, the cost of transporting such article from the areas of substantial production that can reasonably be expected to ship the article thereto, to the principal port of importation into the United States of the like or similar competitive article."

SEC. 2. All uncompleted investigations instituted prior to the approval of this act under section 336 of the Tariff Act of 1930 prior to its amendment by this act, including investigations in which the President has not proclaimed changes in classification or in basis of value or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the Commission in any such investigation may be given due consideration in any investigation instituted under the provisions of section 336 of the Tariff Act of 1930 as amended by this act.

SEC. 3. Consumers counsel: (a) There shall be an office in the legislative branch of the Government to be known as the office of the Consumers' Counsel of the United States Tariff Commission. The office shall be in charge of a counsel to be appointed by the President, by and with the advice and consent of the Senate. No person shall be eligible for appointment as counsel if such person has at any time acted in tariff matters before Congress or the United States Tariff Commission, either on his own behalf or as attorney, at law or in fact, or as legislative agent. The counsel shall be appointed for a term of 4 years and shall receive a salary of \$10,000 a year. The counsel shall not actively engage in any other business, vocation, or employment than that of serving as counsel.

(b) It shall be the duty of the counsel to appear in the interest of and represent the consuming public in any proceeding before the Commission. In any proceeding before the Commission in which the counsel has entered an appearance, the counsel shall have the right to offer any relevant testimony and argument, oral or written, and to examine and cross-examine witnesses and parties to the proceeding, and shall have the right to have subpoena or other process of the Commission issue in his behalf. Whenever the counsel finds that it is in the interest of the consuming public to have the Commission furnish any information at its command or conduct any investigation as to differences in costs of production or other matters within its authority, then the counsel shall so certify to the Commission, specifying in the certificate the information or investigation desired. Thereupon the Commission shall promptly furnish to the counsel the information or promptly conduct the investigation and place the results thereof at the disposal of the counsel.

(c) Within the limitations of such appropriations as the Congress may from time to time provide, the counsel is authorized (subject to the civil-service laws and the Classification Act of 1923, as amended) to appoint and fix the salaries of assistants and clerks, and is authorized to make such expenditure as may be necessary for the performance of the duties vested in him.

SEC. 4. International economic conference: That the President is respectfully requested to initiate a movement for an international economic conference with a view to (a) lowering excessive tariff duties and eliminating discriminatory and unfair trade practices, and other economic barriers affecting international trade, (b) preventing retaliatory tariff measures and economic wars, and (c) promoting fair, equal, and friendly trade and commercial relations between nations; but with the understanding that any agreement, treaty, or arrangement which changes any tariff then in existence, or in any way affects the revenue of the United States, must first be approved by the Congress of the United States.

Mr. LONG. May I ask the Senator from Mississippi how long he intends to continue the session tonight?

Mr. HARRISON. I had hoped we could remain in session until about half past 6.

Mr. LONG. Well, that is a little bit late. I do not care to speak that long; but I will proceed for a while.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

[Mr. Long addressed the Senate. After having spoken for about 1 hour and 30 minutes he yielded the floor for the day. His speech will be published entire after it shall have been concluded.]

EXECUTIVE SESSION

Mr. HARRISON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. GIBSON in the chair) laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of William W. Durbin, of Ohio, to be Register of the Treasury, in place of Edward E. Jones.

Mr. KING, from the Committee on Finance, reported favorably the nomination of Herman Oliphant, of Baltimore, Md., to be general counsel for the Department of the Treasury.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Leon Dominian, of New York, now a Foreign Service officer of class 3 and a consul general to be also a secretary in the Diplomatic Service.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Marine Corps.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nomination of Claudius T. Murchison, of Chapel Hill, N.C., to be Director of the Bureau of Foreign and Domestic Commerce, in the Department of Commerce.

The PRESIDING OFFICER. The reports will be placed on the calendar.

CONVENTION ON THE NATIONALITY OF WOMEN

Mr. PITTMAN. Mr. President, from the Committee on Foreign Relations, I report back favorably a treaty, and ask unanimous consent for its present consideration.

Mr. LONG. Mr. President, I wish the Senator from Nevada would tell us what this treaty is. I do not suppose it is anything in which I am interested, but I am rather afraid of treaties.

Mr. PITTMAN. Mr. President, this is a treaty on the subject of the nationality of women, growing out of the Seventh International Conference of American States at Montevideo. Article 1 of the treaty provides that nationals of the respective countries, without regard to sex, shall have the same privileges and rights.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider Executive J, Seventy-third Congress, second session, the convention on the nationality of women adopted at the Seventh International Conference of American States and signed on December 26, 1933, by plenipotentiaries of the United States of America and of other countries represented in the said conference, at Montevideo, Uruguay, which was read the first time by title and the second time at length, as follows:

The Governments represented in the Seventh International Conference of American States:

Wishing to conclude a Convention on the Nationality of Women, have appointed the following plenipotentiaries:

Honduras:

MIGUEL PAZ BARAONA
AUGUSTO C. COELLO
LUIS BOGRÁN

United States of America:

CORDELL HULL
ALEXANDER W. WEDDELL
J. REUBEN CLARK
J. BUTLER WRIGHT
SPRUILL BRADEN
MISS SOPHONISBA P. BRECKINRIDGE

El Salvador:

HÉCTOR DAVID CASTRO
ARTURO RAMÓN AVILA
J. CIPRIANO CASTRO

Dominican Republic:

TULIO M. CESTERO

Haiti:

JUSTIN BARAU
FRANCIS SALGADO
ANTOINE PIERRE-PAUL
EDMOND MANGONÉS

Argentina:

CARLOS SAAVEDRA LAMAS
JUAN F. CAFFERATA
RAMÓN S. CASTILLO
CARLOS BREBBIA
ISIDORO RUIZ MORENO
LUIS A. PODESTÁ COSTA
RAÚL PREBISCH
DANIEL ANTOKOLETZ

Venezuela:

CÉSAR ZUMETA
LUIS CHURION
JOSÉ RAFAEL MONTILLA

Uruguay:

ALBERTO MAÑÉ
JUAN JOSÉ AMÉZAGA
JOSÉ G. ANTUÑA
JUAN CARLOS BLANCO
SEÑORA SOFÍA A. V. DE DEMICHELI
MARTIN R. ECHEGOYEN
LUIS ALBERTO DE HERRERA
PEDRO MANINI RÍOS
MATEO MARQUES CASTRO
RODOLFO MEZZERA
OCTAVIO MORATÓ
LUIS MORQUIO
TEÓFILO PIÑEYRO CHAIN
DARDO REGULES
JOSÉ SERRATO
JOSÉ PEDRO VARELA

Paraguay:

JUSTO PASTOR BENÍTEZ
GERÓNIMO RIART
HORACIO A. FERNÁNDEZ
SEÑORITA MARÍA F. GONZÁLEZ

Mexico:

JOSÉ MANUEL PUIG CASAURANG
ALFONSO REYES
BASILIO VADILLO
GENARO V. VÁSQUEZ
ROMEO ORTEGA
MANUEL J. SIERRA
EDUARDO SUÁREZ

Panama:

J. D. AROSEMENA
EDUARDO E. HOLGUÍN
OSCAR R. MULLER
MAGÍN PONS

Bolivia:

CASTO ROJAS
DAVID ALVÉSTEGUI
ARTURO PINTO ESCALIER

Guatemala:

ALFREDO SKINNER KLEE
JOSÉ GONZÁLEZ CAMPO
CARLOS SALAZAR
MANUEL ARROYO

Brazil:

AFRANIO DE MELLO FRANCO
LUCILLO A. DA CUNHA BUENO
FRANCISCO LUIS DA SILVA CAMPOS
GILBERTO AMADO
CARLOS CHAGAS
SAMUEL RIBEIRO

Ecuador:

AUGUSTO AGUIRRE APARICIO
HUMBERTO ALBORNOZ
ANTONIO PARRA
CARLOS PUIG VILASSAR
ARTURO SCARONE

Nicaragua:

LEONARDO ARGÜELLO
MANUEL CORDERO REYES
CARLOS CUADRA PASOS

Colombia:

ALFONSO LÓPEZ
RAIMUNDO RIVAS
JOSÉ CAMACHO CARREÑO

Chile:

MIGUEL CRUCHAGA TOCORNAL
OCTAVIO SEÑORET SILVA
GUSTAVO RIVERA
JOSÉ RAMÓN GUTIÉRREZ
FÉLIX NIETO DEL RÍO
FRANCISCO FIGUEROA SÁNCHEZ
BENJAMÍN COHEN

Peru:

ALFREDO SOLF Y MURO
FELIPE BARREDA LAOS
LUIS FERNÁN CISNEROS

Cuba:

ANGEL ALBERTO GIRAUDY
HERMINIO PORTELL VILÁ
ALFREDO NOGUEIRA

Who, after having exhibited their full powers, which were found in good and due form, have agreed upon the following:

ARTICLE 1

There shall be no distinction based on sex as regards nationality, in their legislation or in their practice.

ARTICLE 2

The present convention shall be ratified by the high contracting parties in conformity with their respective constitutional procedures. The Minister of Foreign Affairs of the Republic of Uruguay shall transmit authentic certified copies to the governments for the aforementioned purpose of ratification. The instrument of ratification shall be deposited in the archives of the Pan American Union in Washington, which shall notify the signatory governments of said deposit. Such notification shall be considered as an exchange of ratifications.

ARTICLE 3

The present convention will enter into force between the high contracting parties in the order in which they deposit their respective ratifications.

ARTICLE 4

The present convention shall remain in force indefinitely, but may be denounced by means of 1 year's notice given to the Pan American Union, which shall transmit it to the other signatory governments. After the expiration of this period the convention shall cease in its effects as regards the party which denounces but shall remain in effect for the remaining high contracting parties.

ARTICLE 5

The present convention shall be open for the adherence and accession of the States which are not signatories. The corresponding instruments shall be deposited in the archives of the Pan American Union which shall communicate them to the other high contracting parties.

In witness whereof, the following plenipotentiaries have signed this convention in Spanish, English, Portuguese, and French and hereunto affix their respective seals in the city of Montevideo, Republic of Uruguay, this 26th day of December 1933.

HONDURAS

The delegation of Honduras adheres to the Convention on Equality of Nationality, with the reservations and limitations which the constitution and laws of our country determine.

M. PAZ BARAONA
AUGUSTO C. COELLO
LUIS BOGRÁN

UNITED STATES OF AMERICA

The delegation of the United States of America, in signing the Convention on the Nationality of Women, makes the reservation that the agreement on the part of the United States is, of course and of necessity, subject to congressional action.

ALEXANDER W. WEDDELL
J. BUTLER WRIGHT

EL SALVADOR

Reservation to the effect that in El Salvador the convention cannot be the object of immediate ratification, but that it will be necessary to consider previously the desirability of reforming the existing naturalization law, ratification being obtained only in the event that such legislative reform is undertaken, and after it may have been effected.

HÉCTOR DAVID CASTRO
ARTURO R. AVILA

Dominican Republic:

TULIO M. CESTERO

Haiti:

J. BARAU
F. SALGADO
EDMOND MANGONÉS (avec réserves)
A. PRRE. PAUL (avec réserves)

Argentina:

CARLOS SAAVEDRA LAMAS
JUAN F. CAFFERATA
RAMÓN S. CASTILLO
I. RUIZ MORENO
L. A. PODESTÁ COSTA
D. ANTOKOLETZ

Uruguay:

A. MAÑÉ
JOSÉ PEDRO VARELA
MATEO MARQUES CASTRO
DARDO REGULES
SOFÍA ALVAREZ VIGNOLI DE DEMICHELI
TEÓFILO PIÑEYRO CHAIN
LUIS A. DE HERRERA
MARTÍN R. ECHEGOYEN
JOSÉ G. ANTUÑA
J. C. BLANCO
PEDRO MANINI RÍOS
RODOLFO MEZZERA
OCTAVIO MORATÓ
LUIS MORQUIO
JOSÉ SERRATO

Paraguay:

JUSTO PASTOR BENÍTEZ
MARÍA F. GONZÁLEZ

Mexico:

B. VADILLO
M. J. SIERRA
EDUARDO SUÁREZ

Panama:

J. D. AROSEMENA
MAGIN PONS
EDUARDO E. HOLGUIN

Bolivia:

ARTURO PINTO ESCALIER

Guatemala:

A. SKINNER KLEE
J. GONZÁLEZ CAMPO
CARLOS SALAZAR
M. ARROYO

Brazil:

LUCILLO A. DA CUNHA BUENO
GILBERTO AMADO

Ecuador:

A. AGUIRRE APARICIO
H. ALBORNOZ
ANTONIO PARRA V
C. PUIG V
ARTURO SCARONE

Nicaragua:

LEONARDO ARGÜELLO
M. CORDERO REYES
CARLOS CUADRA PASOS

Colombia:

ALFONSO LÓPEZ
RAIMUNDO RIVAS

Chile:

MIGUEL CRUCHAGA
J. RAMÓN GUTIÉRREZ
F. FIGUEROA
F. NIETO DEL RÍO
B. COHEN

Peru:

ALFREDO SOLF Y MURO

Cuba:

ALBERTO GIRAUDY
HERMINIO PORTELL VILÁ
ING. A. E. NOGUEIRA

The PRESIDING OFFICER. If there be no amendment, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The Chief Clerk read as follows:

Resolved (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive J, Seventy-third Congress, second session, the Convention on the Nationality of Women adopted at the seventh international conference of American States and signed on December 26, 1933, by plenipotentiaries of the United States of America and of other countries represented in the said conference at Montevideo, Uruguay.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification [putting the question]. Two thirds of the Senators present concurring therein, the resolution is agreed to, and the treaty is ratified.

Mr. PITTMAN. I ask that the injunction of secrecy be removed.

The PRESIDING OFFICER. Without objection, the injunction of secrecy is removed.

CLAUDIUS T. MURCHISON

Mr. BAILEY. Mr. President, I ask unanimous consent for the present consideration of the nomination of Claudius T. Murchison to be Director of the Bureau of Foreign and Domestic Commerce.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

Mr. McNARY. Mr. President, is that the matter about which the Senator from North Carolina spoke to me today?

Mr. BAILEY. It is.

Mr. McNARY. What is the name of the nominee?

Mr. BAILEY. It is the nomination of Claudius T. Murchison, of North Carolina, to be Director of the Bureau of Foreign and Domestic Commerce.

Mr. McNARY. Is there now a vacancy in the office?

Mr. BAILEY. There is.

Mr. McNARY. And the committee reported the nomination unanimously?

Mr. BAILEY. The report is not unanimous. I have seen 12 members of the committee. It was discussed in the committee meeting.

Mr. McNARY. Has any objection been manifested to the nominee?

Mr. BAILEY. There is no opposition whatever. All 12 agree upon the confirmation.

Mr. HARRISON. Mr. President, this is the gentleman who has been nominated to succeed Mr. Thorp. Mr. Thorp's nomination was withdrawn, and this gentleman was appointed to take his place.

Mr. McNARY. I now recall the history of the matter. The nomination of Mr. Thorp came before the Commerce Committee, and there was opposition to him, largely from the chairman of the committee. The result was that his name was withdrawn by the President, and this man has been appointed in his stead?

Mr. BAILEY. That is correct.

Mr. McNARY. The Senator says he has polled the committee?

Mr. BAILEY. I have polled the committee to the extent of 12 members. I have not seen the Senator from North Dakota [Mr. NYE]. He has left the city, I understand. I have not seen the Senator from Maine [Mr. WHITE], because I have not been able to find him. I have not found the Senator from New York [Mr. COPELAND], nor the Senator from Florida [Mr. FLETCHER]. All the others I have seen. The Senator from New York is now here.

Mr. COPELAND. I never heard of the nominee before.

Mr. McNARY. Mr. President, the position is a very important one. This afternoon, when the Senator spoke to me hurriedly, I did not recall the case, and I did not make the proper statement. I think the committee should take action on this nomination in a rather formal way. If the Senator will let it go over until tomorrow, I think we can take it up then. For that reason, I object to the consideration of the nomination at this time.

The PRESIDING OFFICER. Objection is heard. The calendar is in order.

CALENDAR—TREATIES

Mr. HARRISON. I ask that the treaties on the calendar be passed over.

The PRESIDING OFFICER. The treaties will be passed over.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

REGISTER OF THE TREASURY

Mr. HARRISON. Mr. President, the nomination has been reported today from the Committee on Finance of W. W. Durbin to be Register of the Treasury. The two Senators from Ohio have conferred with me, and it is desired that this nomination be confirmed. I ask unanimous consent to act on the nomination today.

Mr. McNARY. What is the position to which the nominee has been named.

Mr. HARRISON. He has been nominated to be Register of the Treasury.

Mr. McNARY. Has the committee acted on the nomination today?

Mr. HARRISON. The committee has been polled, and there is no opposition to the nomination that I have heard from anyone. I have talked with both the Senators from Ohio, and there does not seem to be any opposition.

Mr. McNARY. Very well.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HARRISON. I ask that the President be notified of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified.

Mr. HARRISON. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate resumed legislative session.

RECESS

Mr. HARRISON. I move that the Senate take a recess until 10:30 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 50 minutes p.m.) the Senate took a recess until tomorrow, Friday, May 25, 1934, at 10:30 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate May 24 (legislative day of May 10), 1934

DIRECTOR BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Claudius T. Murchison, of North Carolina, to be Director Bureau of Foreign and Domestic Commerce vice Willard L. Thorp.

UNITED STATES ATTORNEY

Leo J. Hickey, of New York, to be United States attorney, eastern district of New York, to succeed Howard W. Ameli, term expired.

APPOINTMENT IN THE REGULAR ARMY

TO BE CAPTAIN OF INFANTRY WITH RANK FROM DATE OF APPOINTMENT

George William Edgerly, formerly captain of Infantry.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. Clyde Eugene Austin, Cavalry (detailed in Quartermaster Corps), with rank from July 1, 1920.

Capt. Hobart Raymond Gay, Cavalry (detailed in Quartermaster Corps), with rank from July 1, 1920.

TO FIELD ARTILLERY

Second Lt. Paul Russell Weyrauch, Infantry, with rank from June 12, 1930.

PROMOTIONS IN THE REGULAR ARMY

TO BE CAPTAINS

First Lt. Clarence Chamberlin Wilson, Air Corps, from May 16, 1934.

First Lt. Byron Elihu Gates, Air Corps, from May 21, 1934.

TO BE FIRST LIEUTENANTS

Second Lt. Marion George Pohl, Coast Artillery Corps, from May 16, 1934.

Second Lt. John Archibald Sawyer, Coast Artillery Corps, from May 20, 1934.

Second Lt. John Southworth Upham, Jr., Infantry, from May 21, 1934.

MEDICAL CORPS

To be lieutenant colonels

Maj. Wilson Carlisle von Kessler, Medical Corps, from May 18, 1934.

Maj. Coleridge Livingstone Beaven, Medical Corps, from May 20, 1934.

Maj. William Guy Guthrie, Medical Corps, from May 21, 1934.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24 (legislative day of May 10), 1934

REGISTER OF THE TREASURY

William W. Durbin to be Register of the Treasury.

POSTMASTERS

IOWA

J. Murl Hamilton, Bedford.

Charles FitzPatrick, Churdan.

Martin W. Brockman, Clarksville.

Max B. Bishop, Elkader.

Fred W. Franzwa, Glidden.

Leslie E. Grady, New Hartford.

Lucy E. Newville, Titonka.

MISSOURI

Eliza Belle Lile, Cowgill.
 Charline Finley Gardner, Hardin.
 Benjamin R. Treasure, McFall.
 Lilbourn B. Headlee, Morehouse.
 Fred H. Kurz, Savannah.

MONTANA

Helen P. Gibb, Belton.
 Ethel C. Hockman, Kevin.
 Leo Z. Francis, Medicine Lake.
 Hazel M. Peterson, Nashua.
 Mary E. Matthews, Oilmont.
 Frank D. Stoltz, Park City.
 Philip W. Poindexter, Stevensville.
 John W. Huntsberger, Sunburst.

NEVADA

Lem S. Allen, Fallon.
 Frank F. Garside, Las Vegas.

TENNESSEE

Guy W. Mobley, Bells.
 George F. Barfield, Henning.
 Paul S. Savage, Ripley.
 Ocie C. Hawkins, Stanton.

WEST VIRGINIA

Thomas M. Deegan, Benwood.
 Clark E. Heckert, Cairo.
 Della A. Kelly, Montgomery.
 William E. Burchett, Williamson.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 24, 1934

The House met at 11 o'clock a.m.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Eternal God, our Father, countless are Thy witnesses. The numberless stars are but a little part of them and the prayers and the aspirations of the hearts of men will never cease to praise Thee. Humbled amid Thy manifold glories, may we find a blessed assurance in the simplicity of the Galilean Teacher. Heavenly Father, hasten the time when man shall love Thee as Thou hast loved the world and when the sword and the spear shall be made into the plowshare and the pruning hook and the desert shall blossom as the rose. Strengthen us for the work of today; help us to do it faithfully, cheerfully, and courageously, and may we be counted worthy in Thy sight and have the just approbation of our fellow citizens. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H.R. 9530. An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as "The Narrows";

H.J.Res. 345. Joint resolution to provide funds to enable the Secretary of Agriculture to carry out the purposes of the acts approved April 21, 1934, and April 7, 1934, relating, respectively, to cotton and to cattle and dairy products, and for other purposes; and

H.J.Res. 347. Joint resolution to prohibit the sale of arms or munitions of war in the United States under certain conditions.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3040. An act to give the Supreme Court of the United States authority to make and publish rules in actions at law.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 23, 1934:

H.R. 878. An act for the relief of Kathryn Thurston;

H.R. 1254. An act for the relief of H. Forsell;

H.R. 4516. An act for the relief of B. Edward Westwood;

H.R. 5405. An act for the relief of Nicola Valerio;

H.R. 7356. An act to provide, in case of the disability of senior circuit judges, for the exercise of their powers and the performance of their duties by the other circuit judges; and

H.R. 8208. An act to provide for the exploitation for oil, gas, and other minerals on the lands comprising Fort Morgan Military Reservation, Ala.

On May 24, 1934:

H.R. 3673. An act to amend the law relative to citizenship and naturalization, and for other purposes; and

H.R. 5950. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

CAPT. FRANK HAMER

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KLEBERG. Mr. Speaker, my purpose in taking this fragment of time is to congratulate the Nation and the State of Texas and Capt. Frank Hamer, ex-Texas Ranger, and other officers who participated, for the work done in ridding our State of its public enemy no. 1, Mr. Clyde Barrow.

I feel, generally speaking, that in matters of this sort the attention of the country should be directed to the fact that efficiency still exists in the ranks of those who have to do with the enforcement of our country's laws. The State of Texas, of course, has been equipped for many years with a constabulary which, in my opinion, has done great service to the Nation without reference to the infinite good they have done the people of the State of Texas in the invaluable service they have rendered from the time of their creation as an official group for the protection of the peace and dignity of my great State.

I do not want to take too much time this morning, but while Mr. Frank Hamer was not at the time of the apprehension of Clyde Barrow and his consort a member of the Texas Rangers, he had served as a ranger for over 25 years, and it goes without saying that he knew his business. I think it would be well for the country generally to find out just exactly how the problem of apprehending this man was worked out in the brief period of time after Captain Hamer took his trail. I would suggest to the Department of Justice that they might learn something of benefit were they to look into the actual machinations and development of the plan which finally brought this career of crime to an end.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 1 additional minute; I wish to ask him a question.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Does not my colleague think that the most efficacious way of stopping organized thugs in the country would be to adopt Texas Ranger Hamer's slogan of "shooting the devil out of them"?

Mr. KLEBERG. It might be an excellent idea to let men such as Hamer work things out in the way they feel is best fitted.